Austria	Sch. 18	Indonesia	Rp 2500	Portugal	Esc 75
Bahrain	Din.0.650	Italy	L 1100	S. Arabia	Rls 6.00
Belgium	BFr.38	Japan	Y550	Singapore	S$ 4.10
Canada	C$2.00	Jordan	Fils.500	Spain	Pta 100
Cyprus	Mils 600	Kuwait	Fils 500	Sri Lanka	Rup 30
Denmark	Dkr.7.25	Lebanon	£L 6.00	Sweden	Skr 6.50
Egypt	E£1.00	Luxembourg	LFr 38	Switzerland	SFr 2.00
Finland	Fmk 5.50	Malaysia	Rm 4.25	Taiwan	NT $85
France	FFr. 6.00	Mexico	Pes 300	Tunisia	Din 0.600
Germany	DM 2.20	Morocco	Dh 6.00	Turkey	L 160
Greece	Dr 60	Netherlands	Fl 2.50	U A E	Dh 6.50
Hong Kong	HK$ 12	Norway	Nkr. 6.00	U S A	$1.50
India	Rup. 15	Philippines	Pes. 20		

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World banking survey, Section III

NEWS SUMMARY

GENERAL

Nato ministers gloomy on arms

Nato foreign ministers appear to have concluded that no chance exists for resuming U.S.-Soviet arms control talks this year and probably beyond.

Ministers who recently visited Moscow are expected to report renewed uncertainty over the Soviet leadership when a Nato ministerial meeting opens in Washington today. Hans-Dietrich Genscher, the West German Foreign Minister, was in the Soviet capital last week and is likely to detail hardline attitudes encountered, and the apparent ill health of President Konstantin Chernenko. Page 16

Herr Genscher announced at the weekend his intention not to lead his Free Democrat party into the next German elections in 1987. Page 2

Beirut alert

Police and troops put a cordon around the American University of Beirut after U.S. intelligence warned that pro-Iranian militants planned mass kidnappings of U.S. academics and diplomats.

Dissident freed

Peter Uhl, 43, a prominent member of the Charter 77 Czechoslovak human rights movement, was released from prison after a five-year term on charges of subversion, emigrés said in Vienna.

Milk chief abducted

Angry French dairy farmers abducted the head of France's national milk board in Rennes, starting a police search across the Breton countryside.

Olympics letter

Olympic chief Juan Antonio Samaranch said he would take a letter for Soviet leader Konstantin Chernenko with him to Moscow tomorrow, in a final effort to prevent the Los Angeles Games boycott.

Catalan test

A Barcelona court ruled that it could not hear embezzlement and fraud charges against Catalan nationalist leader Jordi Pujol, fuelling a row facing Spain's Socialist Government. Page 5

Fuel leak

Soviet railway freight wagons are so old and full of holes that 3 per cent of the country's annual coal output ends up between the tracks, reported Eko, an economic journal.

Lebanese vote

The Speaker of the Lebanese Parliament fixed Thursday morning for a vote of confidence in Prime Minister Rashid Karami's "National Unity" Government.

Israeli verdict

Two Palestinians who hijacked an Israeli bus died from blows to the head and body after capture by security forces, not during fighting as was first claimed, an official inquiry found. Page 2

Taiwan reshuffle

The Taiwan Government reshuffled its Cabinet, days after a new premier was named. Page 2

Egypt poll due

Final results are due today for Egypt's parliamentary elections. President Hosni Mubarak's party was expected to win easily in a low turnout. Page 2

Briefly . . .

Eric Morecambe, British comedian, died at 58. Obituary, Page 13

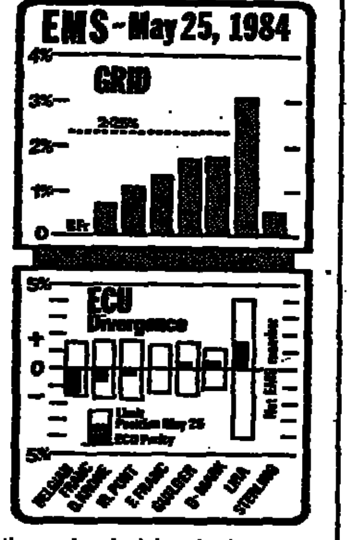
Landslide at a mining community in Dongchuan, south-west China, killed about 100.

BUSINESS

Tokyo to announce financial reforms

JAPANESE financial system reforms, due to be announced in Tokyo and Washington in the next 24 hours, are less stringent than the Bank of Japan had at one stage feared, according to a senior central bank official in Tokyo. Page 16

EUROPEAN Monetary System trading was rather confused last week. The dollar lost ground on fears of another major bank experiencing financial difficulties, but the extent of the fall was limited by the effects of renewed tension in the Gulf war. Activity eased ahead of the weekend, giving rise to some erratic movements.



The D-Mark was firmer against its EMS central rate but showed little overall change against trading partners as most currencies benefited from the dollar's weakness. A prolonged dollar decline could ultimately bring fresh pressure to bear on weaker member currencies, however. Currencies, Page 32.

The chart shows the two constraints on European Monetary System exchange rates. The upper grid, based on the weakest currency in the system, defines the cross rates from which no currency (except the lira) may move more than 2¼ per cent. The lower chart gives each currency's divergence from its "central rate" against the European Currency Unit (ECU), itself a basket of European currencies.

ROMANIA opened a $2bn canal, which cuts the passage from the Danube River to the Black Sea by 370 km and is designed to attract shipping from Western Europe to the Middle East. Page 7

DOLLAR gained ground in Frankfurt despite underlying concern over the U.S. banking sector. It closed at DM 2.7305 (compared with DM 2.7225 at London's Friday close); SwFr 2.2495 (SwFr 2.245); FFr 8.392 (FFr 8.385) and Y231.90 (Y231.70). Sterling was quoted at $1.3828 ($1.385). Currencies, Page 32

TOKYO investors adopted a wait-and-see attitude and the Nikkei Dow market average fell 11.32 to 10,116.04 in the thinnest trading seen this year. The Stock Exchange index fell 4.2 to 790.35. Report, Page 25; Leading prices, Page 24

JOHANNESBURG Stock Exchange is on the verge of establishing a second market for small new companies which do not qualify for a listing on the main market. Page 18

WALL STREET and London markets were closed for public holidays.

HONG KONG prime lending rates underwent their second rise in two weeks, rising 0.75 per centage points to 12.75 per cent. Page 2

The editorial content of today's international edition has been restricted because of continuing industrial action by IG Druck und Papier at Frankfurter Societäts-Druckerei, where the edition is printed. This prevents the publication of late-breaking news, the final Wall Street report and closing U.S. over-the-counter and Canadian share prices.

Iranian threat to Arab states over support for Iraq

BY KATHY EVANS IN TEHERAN AND REGINALD DALE IN WASHINGTON

President Ali Khameni of Iran yesterday called on the Arab states of the Gulf to decide between neutrality and their support for Iraq.

Speaking at the inaugural session of Iran's new Majlis (parliament), the Iranian leader warned that, if the states chose to continue their backing for Iraq, "It is natural that they must take the consequences. This cannot be avoided."

He spoke amid heightened speculation, supported by U.S. satellite pictures, that Iran may be about to launch a new ground offensive against Iraq on June 1, the beginning of the month-long fast of Ramadan.

Last night on Iraqi television an unnamed brigadier told viewers "the Iranian enemy has completed its preparations for a new offensive on the southern sector." Iran has massed about half a million men on the border and logistical arrangements for a large-scale attack appear to be complete.

In the southern sector conditions have, at least until recently, made an offensive difficult – if not impossible – because of flooding of the marshes as a result of melting snow in the northern mountains and the deliberate breaching of Tigris dykes by the Iraqis.

One political reason for delaying the long-expected campaign has been the elections for the new Majlis and the need to obtain maximum solidarity in support of it.

Since Iraq began successfully attacking Iranian oil traffic last month and Iran retaliated by striking at Arab-owned vessels, Ayatollah Khomeini's regime has shown increasing impatience with the assistance given to Iraq by the conservative Arab oil producers of the Gulf and, in particular, their financial aid, now totalling at least $30bn.

The new session of the Majlis, which is even more packed with religious fundamentalists than its predecessor, was opened with a message from Ayatollah Khomeini. He exhorted "all to save the country and Islam against conspiracies and differences."

No reference was made by President Khameni to the U.S. decision to rush to Saudi Arabia Stinger portable anti-aircraft missiles, with their launchers, and two KC-135 tanker aircraft for refuelling Saudi F-15 fighters in flight.

Yesterday the U.S. was reported to be planning to double the number of missiles to be dispatched with the aim of bolstering Saudi Arabia's defences against possible Iranian air attacks.

Administration officials said they would supply 400 of the shoulder fired missiles, rather than the 200 previously envisaged.

The latest plan appeared to be to sell Saudi Arabia the missiles, together with 200 lauchers, at a cost of more than $30m. Another option under consideration had been to lease the missiles to Saudi Arabia allowing them to return to American control once the crisis in the Gulf is over.

The U.S. administration dropped plans to supply Saudi Arabia with 1,200 Stingers two months ago, after Congressional and Israeli opposition. While there is still some opposition in Washington to supplying the sophisticated weapons to an Arab state, President Ronald Reagan was expected to go ahead with the deal under emergency procedures in the next day or two.

Paris and Bonn agree on UK budget demands

BY DAVID MARSH IN PARIS

PRESIDENT François Mitterrand and Herr Helmut Kohl, the West German Chancellor, yesterday forced a common front to press for British concessions over the EEC budget issue ahead of next month's crucial Community summit at Fontainebleau.

Agreement to stand firm over UK budget demands came on the first day of a two-day Franco-German summit meeting here. As a key part of the Government's plans for closer ties across a range of political and industrial areas, the two sides are de to sign today a longue-planned agreement to develop jointly an anti-tank helicopter for use in the French and German armies.

The helicopter project, in which the two countries hope eventually to interest Britain and other Nato members, will result in planned French and German orders for 427 machines worth DM 7bn ($2.55bn) for use in the 1990s.

The helicopter deal, the latest in a long line of Franco-German aerospace projects in both the civil and military fields, was hailed last night by M Michel Vauzelle, the Elysee Palace official; as showing that growing defence co-operation between Paris and Bonn in strategic areas extended into armament collaboration as well.

The Franco-German summit, involving the two heads of government and 15 ministers from both sides, is intended to lay down fresh guidelines for co-operation not only on Community issues but also on bilateral topics such as links in telecommunications, computers and high-speed trains.

West German support for M Mitterrand's tough line over the British budget contribution was uncompromising. Following a first round of talks yesterday afternoon between the two government leaders, a German official said that the two sides had underlined that Mrs Thatcher was up against a "firm position of the Nine". Terming the majority Community offer to Britain at the Brussel summit in March as "the last word", the official said: "it is up to the British to move."

German officials also stressed that Herr Hans-Dietrich Genscher, the Foreign Minister, underlined his approval yesterday for President Mitterrand's Strasbourg speech last Thursday calling for fresh impetus for Community collaboration, possibly without British agreement in all areas.

Herr Kohl, who in a French newspaper interview yesterday hailed Franco-German collaboration as the "indispensable condition" for future European unification, has been building up personal ties with M Mitterrand in a series of contacts in recent months.

Yesterday's meetings, which extended into a formal dinner at the Rambouillet chateau south west of Paris, also touched on the controversy over Luxembourg's just-announced plan to launch its own television satellite in 1985 in co-operation with U.S. interests.

Dutch propose new UK gas deal to compete with Sleipner offer

BY WALTER ELLIS IN AMSTERDAM

GASUNIE, the Dutch natural gas corporation, has made a new offer to pipe gas to Britain on terms which it believes are competitive with those proposed for supplies from Norway's giant Sleipner field.

The news coincides with the announcement yesterday of a 24 per cent increase in the Netherlands' proven reserves of gas, from 1,530bn cubic metres to 1,900bn cubic metres.

Gasunie is now anxious to promote fresh discussions with foreign governments on the extension of existing gas export deals.

A series of new contracts could greatly ease the state's budget financing difficulties, and an agreement with the UK would be a valuable bonus.

The Dutch initiative follows talks earlier this year after Britain's Department of Energy urged British Gas to discuss a possible deal with the Dutch.

The British utility concluded, however, that the volume on offer was too small and the price was too high.

The British Government is understood to be enthusiastic about the Dutch option – which would entail a new pipeline from Callantsoog, 50 miles north-west of Amsterdam, to a terminal at Bacton, near Norwich, in England – while British Gas apparently prefers Sleipner.

The Norwegians are offering more than 1bn cubic ft of gas a day from around 1990. Gasunie is suggesting perhaps between 500m and 600m cubic ft a day but is pinning its hopes on its price and flexible availability.

It could also begin deliveries before 1990, if a decision on a pipeline is reached early enough.

The Dutch utility, jointly owned by Shell. Esso and Dutch State Mines (DSM), distributes gas from more than 140 fields in the Netherlands and offshore.

A new pipeline could add greatly to the British gas industry's bargaining strength with other would-be suppliers. It would also give Britain access to the continental grid, which could have potential for distribution in the opposite direction.

An obvious stumbling block is that British Gas and Statoil, the Norwegian gas concern, have already reached provisional agreement on future purchase.

Until last year, the Netherlands was distinctly uneasy about its gas reserves and had a policy of no sales abroad beyond 1990. It felt that the country's greatest single natural resource had to be jealously guarded for future generations.

Then, the state geological service pronounced that reserves were ample, at existing rates of depletion, to last until at least 2050. Now the reserves are said to be greater still.

UK offshore pay deal near, Page 8

Fed pledge to maintain U.S. bank stability

BY PAUL TAYLOR IN WASHINGTON
AND WILLIAM HALL IN NEW YORK

MR PRESTON Martin, vice-chairman of the U.S. Federal Reserve Board, said yesterday that the Fed was willing to do whatever is needed to maintain the stability of the U.S. banking system.

The Fed was prepared to "lend, lend boldly, and keep on lending," should any more major US banks run into liquidity problems, he said.

His remarks were seen as perhaps the strongest attempt yet by U.S. bank regulators, to calm the nerves of the financial markets and head off additional rumours like those which swept the markets last week. They came in response to a question about whether the Fed is willing to act again as it did two weeks ago to help halt a run on Continental Illinois, Chicago's biggest bank and the eighth largest in the US.

Since then, attention has focused on the major U.S. banks' lending, especially to Latin America. Last week this led to a serious erosion of investor confidence, sent bank stocks tumbling, battered the dollar and led to a "flight to quality" as investors scrambled to buy the shortest and safest paper – U.S. Treasury bills.

The investors' fears were highlighted yesterday with the release of figures on the banks' exposure to the four most heavily indebted Latin American countries.

The figures show that the U.S. regional banks have cut their relative exposure times as quickly as the nine big U.S. money centre banks since the start of the international debt crisis.

At the end of 1983 the nine U.S. money centre banks had loans of $40.4bn outstanding to Mexico, Brazil, Venezuela and Argentina, according to figures published by the U.S. bank regulators. This is nearly a third more than their entire capital of $51.5bn.

Since Mexico's financial crisis in the autumn of 1982 the nine money centre banks have increased their lending to the four countries by $2.6bn. The next 15 biggest U.S. banks had increased their lending by $1.5bn to $13.7bn but the 185 regional banks had reduced their lending by $600m to $12.7bn.

At the end of 1983 the combined exposure of the nine money centre banks to the four countries had reached 128.3 per cent of their capital. The next 15 biggest U.S. banks had similar exposure equivalent to 91.9 per cent of their capital.

The Regional banks' relative exposure has fallen sharply, from 50.4

Continued on Page 16

U.S. bonds, Page 18

Rain fails to dampen spirit of Bonn rally

BY RUPERT CORNWELL IN BONN

TO JUDGE from the rain which settled yesterday in an unremitting grey sheet over the capital of West Germany, even the Almighty is none too keen on the 35-hour week.

It was to be the big day; when 200,000 engineering workers descended on Bonn from all over the country and beyond, doubling the city's population, to prove their commitment to a shorter working week. And to a certain extent it was.

From dawn onwards the 60 special trains and 3,000 buses commissioned by IG Metall, the striking engineering union, disgorged their human cargoes, clad in their union's uniforms of yellow jacket and red plastic helmet.

In the afternoon they gathered at Bonn University, to hear Herr Hans Mayr, chairman of IG Metall – backed by the assembled brass of German labour – berate employers, Government and, above all, the Federal Labour Court for its refusal to permit short-time pay from the state for workers involuntarily idled by strikes.

The court, he said, had broken national and international law with its decision. The Government, backed by the conservative press, had indeed produced an economic recovery but only "for the employers, capital and speculators," he added.

The unions, Herr Mayr declared, would see the struggle through to victory. His audience, huddled bedraggled but defiant under umbrellas, cheered every word.

Continued on Page 16

Sales of home computers run out of steam

By Louise Kehoe
in San Francisco

THE WORLD home computer market seems to have run out of steam. Sales this year, widely forecast to rise to about $3bn, are now expected to total little more than half that amount.

Manufacturers and market analysts have been surprised by a steep decline in sales over the past four months. They have noticed only recently that the usual post-Christmas slump was sharper and longer than expected.

Mr James Morgan, chief executive of Atari, the U.S. group, said shipments of his company's home computers in the first three months of this year were 35 per cent lower than in the first quarter of 1983.

Mr Sandy Gant, a specialist in the home computer market at Infocorp, a California market research company, said: "Since December we have significantly lowered our forecast for sales in the under-$1,000 category for this year."

"The market is very soft right now," he said. "With a lot of advertising to boost sales in the autumn, we can hope for unit sales to equal those of last year at a higher average selling price."

Another market scorekeeper, Future Computing of Richardson, Texas, is also becoming more cautions. "We put shipments of home computers at 6.5m units this year, and that is optimistic. We may well downgrade those numbers again next month," says Dr Egil Juliussen.

Software publishers are even more gloomy. "I think the size of the home computer market has been grossly overstated," declares Mr Gary Carlston, vice-president of Broderbund Software, a computer games company.

Mr Trip Hawkins, president of Electronic Arts, publisher of several top-selling computer games, calls industry forecasts "completely ridiculous".

"If we (the industry) have a good year there will be about 1.5m units sold in the U.S., perhaps 2m worldwide."

Even chip makers have noticed a downturn. Last week the Semiconductor Industry Association attributed a 2 per cent decline in industry order rates last month to personal computer makers' shrinking requirements.

Several factors have contributed to declining home computer sales. First, consumers became disillu-

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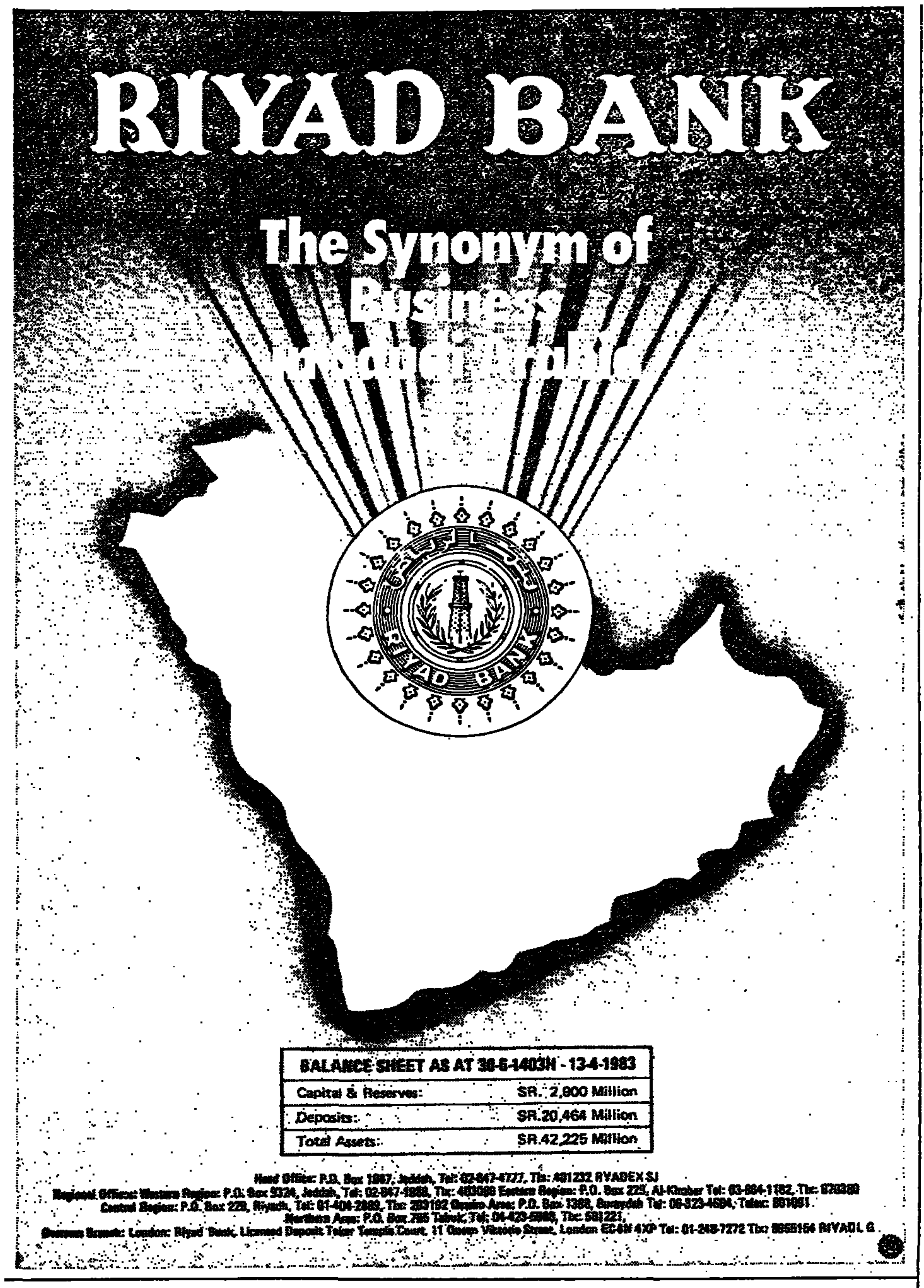

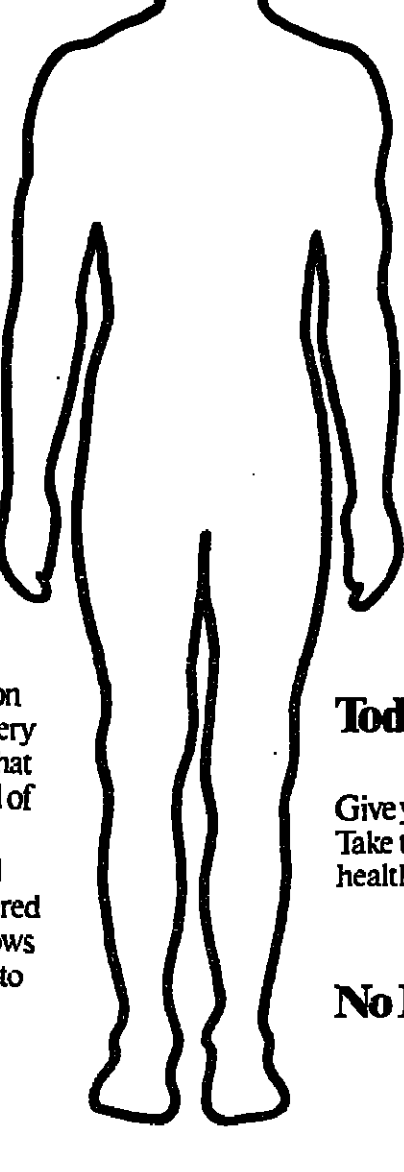

OVERSEAS NEWS

Communists win another by-election in France

By David Housego in Paris

THE FRENCH Communist Party already appears to be reaping the fruits of its increasingly critical attitude towards the Government's economic and industrial policy.

For the second consecutive weekend, it won an unexpected by-election victory in retaining control of the municipality of Houilles, south of Paris, where the March 1983 results had been invalidated.

A week ago, Dr Paul Souffrin, the Communist mayor of Thionville in Lorraine was also re-elected in spite of Communist fears that the fresh steel closures in the region would tell against a candidate of the Left.

The Communists were also given a boost yesterday by the publication of a public opinion poll in the right-wing daily Le Figaro which showed that the Communists are the only major party to be gaining ground in the European election campaign.

The poll confirmed that the Communists have increased their perecentage of the vote to 14 per cent as against 12 per cent in February.

The joint RPR-UDF opposition list, led by Mme Simone Veil, has lost five percentage points since February, falling back to 43 per cent of the vote.

It emerged over the weekend that the European elections will only be the first of two major political hurdles that face the Government this month.

The second stems from the decision by the Roman Catholic education lobby to hold a mass rally in Paris on June 24 to protest against the new Bill on private eduation which had its first reading in the National Assembly last week.

The rally is expected to gather 1m people — making it the largest demonstration in the capital since the march down the Champs Elysées in 1968 in support of President de Gaulle.

Though the organisers are attempting to limit the aims of the march to amending the Bill, it is likely to turn into a mass demonstration by the opposition parties against the Government.

The Communist Party said yesterday that the results confirmed their belief of a recovery in the party's electoral support. The Communists' gains are obviously embarrassing to President Mitterrand after his recent attempts to curb Communist criticism of the Government.

Return-to-work continues in Bombay area

BOMBAY — Army units will continue to patrol south-western India's riot-torn areas in case of a renewal of Hindu-Moslem clashes which have killed nearly 230 people, *officials said yesterday.*

Officials said large numbers of people were beginning to return to work in the region's textile factories after some 67,000 people fled the unrest.

In the town of Bhiwandi to the north of Bombay, where sectarian clashes flared on May 18, more than half the 40,000 textile power looms were back in operation yesterday, they added.

Meanwhile, in New Delhi, one man was killed and another seriously wounded yesterday when police fired on demonstrators outside the Bangladesh High Commission, police said.

They said the dead man was not a demonstrator but a passenger in a bus passing the mission. Two other passengers were slightly injured and one *demonstrator was seriously* hurt.

Police fired 20 rounds after repeated baton charges failed to disperse the demonstrators. It said more than 15 people were injured.

Reuter

Botha calls for S. Africa to 'face realities of world'

BY OUR JOHANNESBURG CORRESPONDENT

MR P. W. BOTHA, the South African Prime Minister was due to leave the Republic last night on an eight-nation European tour, amid continuing moves over the independence of Namibia (south-west Africa).

The Namibian dispute is expected to be high on Mr Botha's agenda during his talks with European leaders, including meetings in London, Bonn and Lisbon.

Both the British and West German Governments are members of the five-nation Western contact group seeking a settlement in the territory, while Portugal retains close ties with Angola, its former colony and a key participant in the dispute.

Addressing a weekend rally of South Africa's ruling Nationalist Party, Mr Botha said South Africa had to "come out of the *laager*" and "*face the* realities of the world." He warned that should the country "choose a path of isolation, boycotts would soon choke her with loneliness."

The Danish Folketing yesterday called for new restrictions on Danish trade with South Africa after a vote in which the non-Socialist Government was defeated by 85 votes to 75, Hilary Barnes writes from Copenhagen.

The Folketing demanded reductions in coal imports from South Africa by the publicly-owned power utilities and ordered the Government to make it clear to oil companies and shipping companies that it is not consistent with Danish foreign policy for them to sell oil to South Africa or to transport products to South Africa in Danish ships.

At a farewell ceremony yesterday in Capetown, Mr Botha said: "We are not setting out on a campaign of conquest." Rather, he continued, "we are going with the firm conviction that South Africa has a place in the community of nations which it can fulfil."

The withdrawal of some 25,000 Cuban troops in Angola, which borders Namibia, has been made a pre-condition by South Africa to implementation of the United Nations' settlement plan for the territory.

But there have been tentative signs that this precondition, which has United States' backing, may be dropped or modified by Pretoria in exchange for a substantially reduced UN role in the run-up to independence.

The issue was raised in Lusaka at the weekend during talks between the U.S. Assistant Secretary of State for African Affairs, Dr Chester Crocker, and Dr Kenneth Kaunda, the Zambian President. Dr Kaunda initiated the current round of negotiations on Namibia when he hosted all-party talks earlier this month.

The South African Prime Minister will be anxious to convince European leaders that progress over the dispute is indeed being made, as well as to argue that other recent events in southern Africa, including the signing of a non-aggression pact with Mozambique, marked the start of a new relationship with the Republic's black neigbours.

Mubarak poised for election win

CAIRO — President Hosni Mubarak's ruling National Democratic Party (NDP) seemed set for a big general election win yesterday, but the right-wing WAFD party may form the strongest parliamentary opposition Egypt has had in many years.

Early returns of votes cast in a poll marked by violence and low turnout among the 13m registered voters showed the NDP well ahead of four opposition parties.

Allocation of the 488 People's Assembly seats will be made final today, after computers finish working out the result of a complex new proportional representation electoral system.

The main challenge to the NDP came from the right-wing WAFD, a revival of a nationalist party formed in 1919 and now allied with the staunchly Islamic Moslem Brotherhood.

Interior ministry sources said WAFD, which only overturned a *court ban on its existence in* January, seemed so far to be getting one vote to every three for the ruling party.

Political analysts said this might fulfil predictions that the opposition would muster around 100 seats in the new chamber.

This would be the biggest parliamentary opposition in Egypt since the 1920s. There were just 21 opposition seats in the 392-seat chamber elected in 1979 under the late President Anwar Sadat in a poll which opponents alleged had been rigged.

Analysts said three other opposition parties did not seem to be getting as many votes as WAFD. Under the new system, any party which fails to get 8 per cent of the total vote cannot claim any seats.

The right - wing liberal socialists look likely to face electoral oblivion. Party officials conceded it was also an open question whether the lef-wing unionist progressives and Socialist Labour party would get 8 per cent.

Reuter

Palestinians 'killed after attack on Israeli bus'

BY LYN RICHARDSON IN TEL AVIV

TWO OF the Palestinians who hijacked an Israeli bus six weeks ago were killed by blows to the head and body after the storming of the bus by Israeli security forces, and not during the counter-assault as the Israelis first claimed, the findings of a Commission of Inquiry show.

The Commission was headed by Mr Meir Zorea, a former controller of the Israel Defence Ministry.

It was set up after public pressure mounted for an explanation as to why the two terrorists, one of whom had been photographed being led away from the scene with no apparent injuries, were later reported to have been killed when the Israeli troops stormed the bus.

The Commission says the two were dealt severe blows to the back of the head and body with blunt instruments. One died from a skull fracture and the other of head injuries.

Prof Moshe Arens, Defence Minister, said he regarded the behaviour that led to the deaths of the two men with the upmost gravity. Disciplinary measures will be taken against a number of members of the Israeli Security Forces who did not fulfil their duties, and further investigations are to be conducted.

Recognition grows for Arab society of accountants

BY BARRY RILEY

THE FORMAL recognition of the newly-formed Arab Society of Certified Accountants by Jordan last week is expected to be followed in the near future by recognition from four other Arab countries.

Incorporated only last January, with the assistance of one of the British accountancy bodies, the Association of Certified Accountants, the ASCA is now busily recruiting members throughout the Arab world.

According to its founding president, Mr Talal Abu-Ghazaleh, there have been more than 700 applications for full and student membership, with applications still coming in at the rate of 50 a day.

"The launching process has gone much faster than we expected," said Mr Abu-Ghazaleh. "We are already in orbit."

The ASCA's third council meeting in Amman last week agreed to set up a centre in Jordan and the society is also negotiating for premises in London. A three-man executive team has been recruited.

The idea of the Arab Society arose from a visit to the Gulf area in 1983 by Professor John Small, then president of the ACCA in London. Professor Small is now honorary adviser to the ASCA.

Hong Kong banks raise interest rates

By David Dodwell in Hong Kong

HONG KONG'S prime lending rates were raised by 0.75 of a percentage point yesterday, to 12.75 per cent. The increase is the second in two weeks, but was shrugged off by the local stock markets where the increase had been expected. Hong Kong's Hang Seng index rose by 16.52 points to close at 919.31.

Since the Hong Kong dollar was pegged to the U.S. dollar last autumn interest rate movements have been the only mechanism available to the colony's banking authorities to regulate the flow of capital into and out of the economy.

In recent months, spiralling interest rates in the U.S. have led to a steady drain of investment capital out of Hong Kong.

Taiwan Cabinet shuffled

By Bob King in Taipei

THE Taiwan Government has reshuffled its Cabinet a week after President Chiang Ching-Kuo was sworn in for a second six-year term and just days after his nomination of Mr Yu Kuo-Hua as Prime Minister received legislative approval.

The change in faces at the top, however, does not spell any policy changes for Taiwan. Policy is generally set by the ruling Nationalist Party and implemented by the bureaucracy.

If anything, the shape of the new Cabinet further underscores the party's commitment to strengthening Taiwan's economy and the pragmatic technocrats who have worked to this end.

Singapore labour costs set to rise

By Chris Sherwell in Singapore

EMPLOYERS in Singapore face a sharp increase in labour costs from July 1 as a result of an average 10 per cent increase in wages and higher contributions to the country's national savings scheme for employees.

The Government yesterday accepted the recommendations of the National Wages Council for an 8-12 per cent wage increase, the largest rise since 1981. The recommendation is followed by most employers.

Genscher may rock coalition

BY RUPERT CORNWELL IN BONN

THE DECISION of Herr Hans-Dietrich Genscher, the West German Foreign Minister, not to lead his Free Democrat (FDP) party into the next general election in 1987 may well secure relative peace at next weekend's key FDP congress. *But this might be at the cost of ad*ding to existing uncertainties over the future of the ruling centre-right coalition.

This was the prevailing impression in Bonn yesterday, less than 24 hours after Herr Genscher let slip the news, the timing of which caught even seasoned observers on the wrong foot, during a television interview.

It was time, he said, for "a younger man" to take over, indicating that his successor might be one of "a new generation of outstanding state chairmen of the FDP." Count Otto Lambsdorff, the party's next most prominent national figure, and currently Economics Minister, has already hinted he will not be chasing the job.

Tactical considerations appear to have played a large part in the decision of Herr Genscher, 57, who has held the exhausting combination of posts of party leader and Foreign Minister, without a break for a decade.

Dissatisfied accusations that he had not been paying enough atten*tion to party affairs have been evi*dent for some while within FDP ranks. Then, earlier this month, came the débacle over the Government's proposed amnesty on tax evasion in connection with party political donations.

Herr Genscher first agreed to the plan in great secrecy, only to be forced by a gale of grassroots protest inside the party to change his mind. In embarrassment and no little anger, Chancellor Helmut Kohl was forced to withdraw the draft Bill for the amnesty.

Everything presaged a stormy FDP congress in Münster from Sunday, at which not only Herr Genscher's position but also his decision to jump horses from the SPD Social Democrats to the Christian Democrats in October 1982 would have been at issue.

Now that his departure by 1987 is assured, however, his party will be happy to confirm him as leader for two more years, and concentrate its energies on the most pressing question: the forthcoming European election.

The FDP desperately needs a convincing congress as a launchpad for the campaign. Recent regional election results suggest it will have a fight on its hands to secure 5 per cent of the vote, without which it will not be represented in the next Strasbourg parliament.

FDP spokesmen yesterday dismissed suggestions that Herr Genscher had any intention of quitting as Foreign Minister before – or indeed after – the 1987 election.

Even so, his announcement on Sunday will further cloud the muddy political waters in Bonn.

The personal understanding between Herr Genscher and Herr Kohl is crucial to the stability of the coalition alliance between the Chancellors Christian Democrats, the FDP, and the CSU of the rumbustious Herr Franz Josef Strauss.

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NORTH WALES: EEC MILK CURBS WILL LOSE TORY VOTES

Welsh referendum on dairy policy

"WE GET JOPPLED in April, and they expect us to vote for them in June." The farmer at Anglesey's Gaerwen cattle mart shook his head firmly. "It's just not on. No way."

Joppled is a word coined out of Michael Jopling, Minister of Agriculture. It means to be harshly treated, to have one's livelihood threatened. It stems from the Government's agreement a few weeks ago to a cut in Britain's EEC dairy quota, even if some financial help is offered later. The move has so incensed the dairy farmers of north Wales that it could well cost the Conservatives the seat in next month's Euro-elections.

A 9 per cent cut in milk production threatens dairy farmers with a substantial loss of income, and some perhaps with bankruptcy. The fall in auction prices for milk cows has already reduced the value of stock by a third.

In one stroke, the deal has completely overshadowed the benefits of EEC membership which are more tangibly evident in North Wales than many other parts of Britain—Port Dinorwic power station, built with £77m of EEC money, the holiday complex at Caernarfon, the Hotpoint factory at Rhyl, and the resettlement grants for redundant steel workers at Shotton.

Beata Brookes, the vigorously vocal Conservative who won the seat in 1979, has made frantic attempts to avert the erosion of the hitherto solid farming section of her vote.

She has written to 2,300 farmers, sympathising with their plight, and demanding special financial help from the Government to ease the transition. She has criticised former agriculture minister Peter Walker and the Milk Marketing Board for encouraging expansion: and protested to Michael Jopling and Welsh Secretary Nicholas Edwards, about the sudden reversal.

But none of this had apparently impressed the farmers she met at Gaerwen last week. Squelching bravely round the market — lately modernised, ironically, with the help of another £44,000 from Brussels—Miss Brookes got few words of cheer.

Based on the votes cast in last year's general election in the ten Westminster seats which make up this Euro-constituency, the switch of the farming vote—just over 6 per cent of the total—would be enough to close the gap between the Tories and the Alliance.

But this—and the general decline in Tory support over the past year—may be subject to another aggravation. Miss Brookes was involved in a wrangle last year over the Tory nomination for the Westminster seat of Clwyd North West. She says that the struggle has left no bitterness. Sir Anthony Meyer, who finally got the seat, proposed her adoption as Euro candidate.

But Mr Geraint Morgan, former MP for Denbigh, who lost out in the struggle, last week regretted that he had "wasted the prime years of my life in the service of the Conservative Party." He publicly urged Tories not to vote for Miss Brookes but for "candidates of proven personal integrity" like Tom Ellis, of the Alliance, and Dafydd Iwan, of Plaid Cymru.

Mr Ellis seems best placed to take advantage of all this apparent Conservative disaffection. He was Labour MP for Wrexham for 13 years and an MEP from 1974 to 1979. As a Social Democrat/Alliance candidates, he ran a close second to the Conservatives in Clwyd South West last year.

A Welsh speaker, and a familiar figure throughout North Wales, Mr Ellis looks a cheerful alternative choice as he campaigned in Criccieth last week. Especially—as he has reminded 80,000 voters by letter—they can register their protest on June 14 by changing their MEP without displacing the Government.

Neither of the other challengers appears to have quite so much going for them. The stocky Welsh Nationalist chairman, Dafydd Iwan, admits that Mr Ellis is likely to take a large share of the Welsh speaking vote. And while some of the Labour anger that waxed over Mr Ellis' defection to the SDP is waning, Mr Iwan's image still bears the scars of his youthful militancy in the nationalist cause.

Plaid Cymru's base in the west was bid enough to give it two seats at Caernarfon and Meirionydd in the general election—but it is hardly a platform from which to capture this wide spread constituency.

A one time architect, Mr Iwan now runs a record company and sings robust songs about his cause—"but only in Welsh," and that can have little meaning for voters in the Anglicised east.

It is there, around the Labour held seats of Wrexham and Alyn and Deeside, that Labour's Ian Campbell is strongest. The Labour vote, he says, is growing, with many new party members. And, he correctly points out, it only needs a slightly higher swing from the Tories to Labour than to the Alliance to give him the seat.

But it seems doubtful whether the farmers will square his promise of a better deal for them with his pledges of cheaper food all round: or whether the almost extinct Labour vote is Anglesey and the West will be revived by his fervent faith, say, in unilateral nuclear disarmament.

Philip Rawstorne

LUXEMBOURG: INSTINCTIVE SUPPORT FOR CO-OPERATION

Where Europe is part of everyone's day-to-day life

LUXEMBOURG should be a hotbed for anti-European Community sentiment. Two of its principal industries, steel and dairy farming, are being battered because of recent EEC decisions. Worse, the European Parliament is trying to close its Luxembourg offices.

But there is no noticeable anti-EEC movement in this tiny country, and unlikely to be any. Luxembourgers, who have been dominated throughout history by their more powerful neighbours, almost instinctively back any trans-national institution that promotes European co-operation.

Mr Nicolas Estgens, a Social Christian (conseravtive) MEP, says that a little country such as Luxembourg (population 364,000) would have no chance to survive economically on its own.

"The big countries have the power to protect their steel industries, for example, even if they are not as efficient as ours."

Mme Colette Flesch, the popular Foreign Affairs Minister, adds: "Europe is part of our day-to-day life. We have 10 television channels, and everyone knows someone who works at the European Community offices."

European organisations, including the European parliament, are also appreciated for providing Luxembourg leaders with an opportunity for a place in the sun.

Mr Estgens, for example, was a vice-president of the last European parliament.

In other countries in the Community, the European Parliament elections are being used to some extent as a barometer on national issues.

In Luxembourg, this is not necessary because, for the second time, national elections are being held at the same time as the European vote.

The Conservatives and Liberals, who have formed a coalition government for the past five years, are expected to maintain their positions in the national parliament—24 and 15 seats respectively.

The Socialists may win most of the five new seats being added to the Chamber of Deputies (to make a total of 64), especially in the industrial south where steel closures have hurt the governing coalition parties.

At the European level, most observers expect the Socialists to pick up a second seat at the expense of the Conservatives, so the distribution will be two for each of the three main parties.

There is no doubt about the level of participation in the voting. Citizens are obliged by law to vote. However, they may leave their ballots blank and in 1979 a few more people left European ballots blank than national ballots.

Some politicians fear that significant numbers of young people will leave their European ballots blank this time as a comment on the Parliament's lack of power.

In some countries the abstention rate will be taken as an indicator of indifference or hostility to the European Parliament. Most Luxembourgers want Strasbourg to have more power.

Election campaigning, like most things in Luxembourg, is carried out discreetly. There is no television advertising, no canvassing of voters' homes, no walkabouts by politicians in shopping centres.

The main venues for meetings between the candidates and the voters are bistros and community halls in villages up and down the country. Politicians spend their evenings moving from bistro to bistro, addressing audiences of anything from a handful to 40 people. The atmosphere is usually informal, sometimes exceptionally so.

No single issue has as yet roused wide public interest in either the national or European campaign. Luxembourg is well-off by European standards.

Unemployment is less than 2 per cent and the national accounts are comfortably in surplus. Inflation is running at just under 8 per cent but the country, which is in a monetary union with Belgium, cannot do much about it.

However, the politicians say they detect a general unease among the people about the future. Mr Charles Goerens, a young Liberal MEP, says people see jobs disappearing in traditional industries and wonder what their children will do.

In the industrial south, the Socialists complain that the steel restructuring programme has been too severe. But their anger is directed at the Luxembourg government, not at the European Commission.

This is because the Government has supported the decision by Arbed, the leading national steel company, to share production with the Belgian steel industry and thus cut more of its own capacity than the Commission demanded.

Similarly, in the north, farmers are bitter about the cutbacks required in the dairy sector, but aim their attacks at the national government, not at Brussels.

The only thing Luxembourgers will make a fuss about will be the continuing efforts of the European Parliament to eliminate its Luxembourg office in a bid to save money.

Ian Rodger

'Greece first' rallying cry for Papandreou

By Andreana Ierodiaconou in Athens

DR ANDREAS PAPANDREOU, the Greek Prime Minister, pledged over the weekend to continue to fight for a special relationship with the EEC.

He accused the previous Conservative government of having failed to extract the maximum benefit from Community membership, by placing the interests of Greece second to those of Europe.

"The representatives of the Right said they were Europeans first and Greeks second. The Europeans ignored them. Why should the EEC give more to those who are satisfied with crumbs?" Dr Papandreou told supporters gathered for a European election rally in the Peloponnesian town of Patras, in the Prime Minister's home district.

The June 17 European vote is seen in Greece as a critical performance test for Papandreou's Socialist Party (Pasok). The Socialists ended nearly half a century of right-wing rule in Greece when they swept to victory in October, 1981, 10 months after Greece's accession to the EEC.

Both the Prime Minister and Mr Evangelos Averoff, the Conservative opposition leader, have launched a series of appearances around Greece in an effort to woo voters.

"We are waging a battle for a different kind of relationship with Europe, a battle for a different kind of Europe," Dr Papandreou said in his Patras speech, which served to introduce Pasok's main European election campaign slogan, "Greece first."

In a sign of the election fever gripping Greece, posters bearing the slogan and the Socialists' green on white rising sun emblem decorated the approximately 150-mile long Athens to Patras highway, taken by the Prime Minister's limousine convoy.

In his speech, Dr Papandreou repeated his government's commitment to boycotting Nato military exercises in the Aegean and closing down the American bases in Greece. He accused the Conservatives of having failed Greece's interests in keeping the country in the Western strategic camp.

MITTERRAND INITIATIVE

French strategy for Europe hopes to combine two goals

BY JOHN WYLES IN BRUSSELS

WAS President Mitterrand mounting a serious political initiative when he called last Thursday for new moves to deepen political integration within the EEC? Or was he largely seeking to boost flagging support for French socialist party candidates in next month's European elections?

The early consensus among many EEC Ministers and officials is that the French President was trying to do both. After grilling M Claude Cheysson, the French external affairs minister, several Ministers left an informal gathering of foreign ministers in the south of France at the weekend somewhat more convinced that Paris has new ambitions for the Community.

But they are clearly not yet fully thought out. In the meantime the President can hope to have scored some political points for his party by having demonstrated a statesmanlike enthusiasm and idealism for Europe in his speech to the European Parliament.

UK not excluded

Other governments now expect M Mitterrand to pursue his idea of a new Treaty to extend Community law into wider policy areas at the summit he will host at Fontainebleau on June 25 and 26. Most agree, however, that this presupposes agreement either just before or early in the summit on the final details of long-term curbs on Britain's budget payments and on new guidelines to discipline EEC spending.

The President's call on "interested governments" to join in preparatory work on a new Treaty was widely interpreted as a readiness to see the UK excluded from such an EEC relaunch. Elysee officials have since been reported as stressing that this is not the case while Sir Geoffrey Howe, Britain's Foreign Secretary, was vehement at the weekend in asserting that Britain would want to be part of any discussions on a new Treaty.

The Danes are much more equivocal. Mr Uffe Ellemann-Jensen, Denmark's Foreign Minister, told his national Parliament yesterday that top priority should be given to deepening co-operation within the framework of the existing Treaty of Rome. Danish sources say that any new Treaty would have to be the subject of a referendum which would inevitably open the still-controversial question of Danish membership of the Community as a whole.

Privately, some British officials doubt that much more will be heard of M Mitterrand's initiative after the European elections, but the indications from Bonn are that M Mitterrand's ideas may become the basis of a Franco-German campaign for greater political integration.

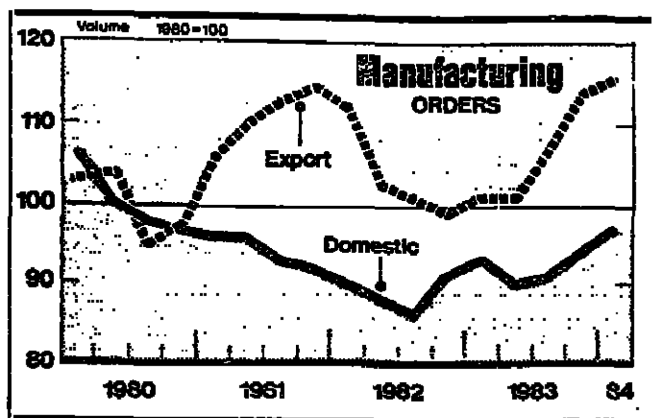
Scepticism

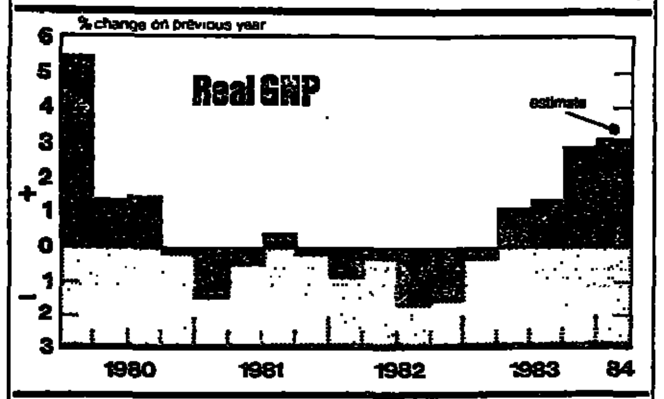
Paradoxically, there is rather more scepticism in Belgium and the Netherlands, where the pulse of European Union traditionally beats strongest. Ministers in both countries doubt the seriousness of French intentions, although they will probably do their best to encourage them.

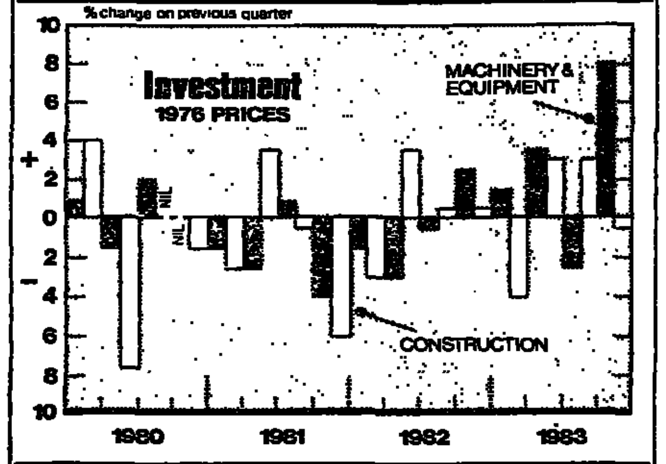
Sir Geoffrey Howe was not alone at the week-end in recalling the fate of the so-called Genscher-Colombo initiative which began in 1981 as an attempt to secure a new Treaty of European Union and ended at the Stuttgart summit last June as a rather limp but "solemn declaration" in favour of making the Community work better.

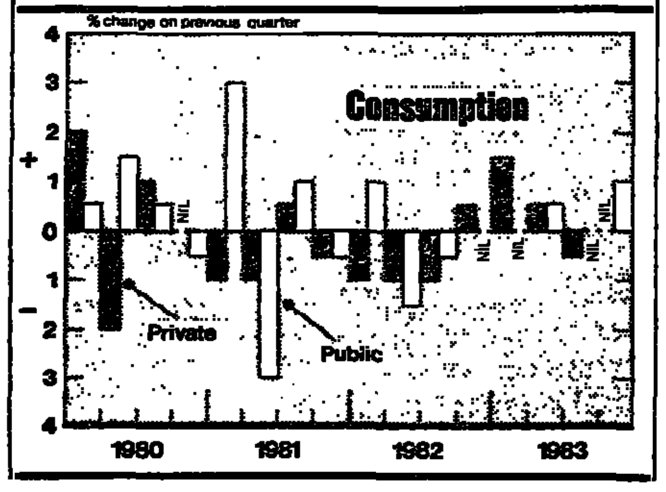
During those negotiations France was pretty far behind the most advanced thinking on the future role of the European Parliament and on the use of majority voting. It was clever, however, of the French President to propose that the preparatory work on a possible new Treaty should be based on the Stuttgart Declaration and on the European Parliament's draft Treaty on European Union since the one represents current political realities and the other a much more long-term dream. Significantly, M Mitterrand endorsed only the "inspiration" and not the detail of the Parliament's draft.

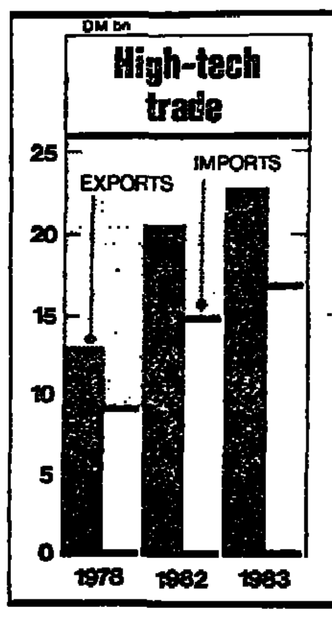
STATISTICAL TRENDS: WEST GERMANY

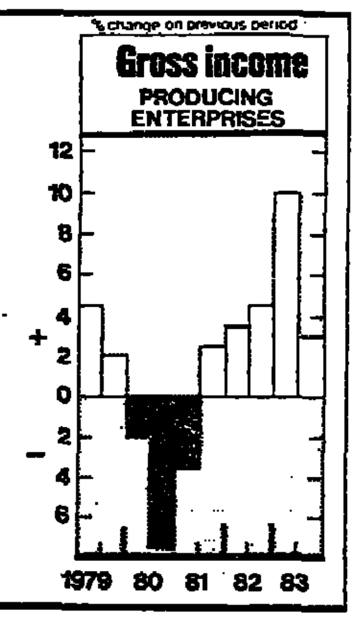


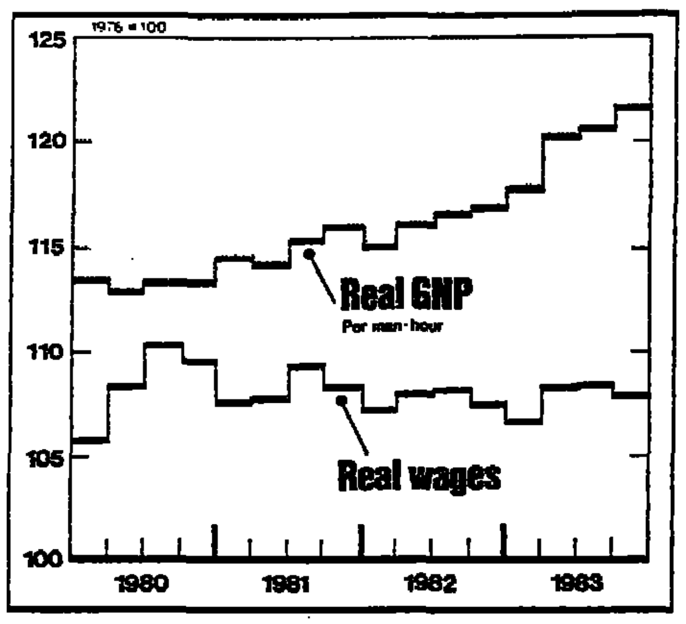


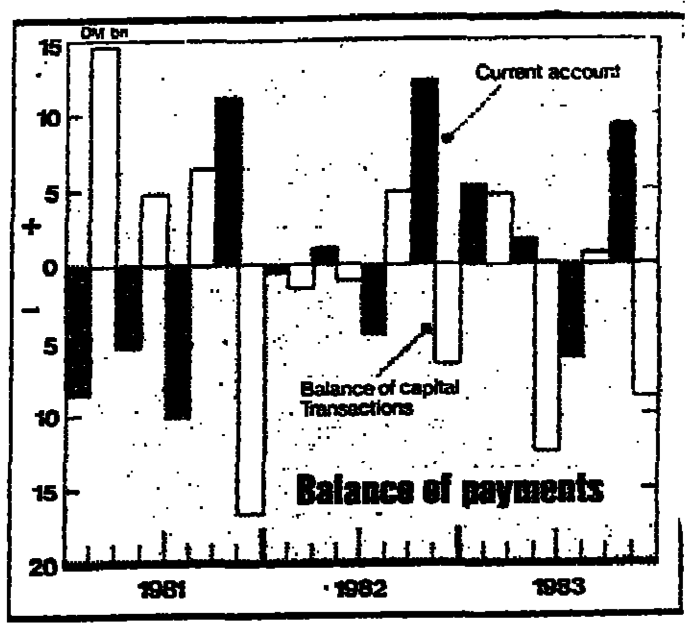












Corporate investment is spur to growth

THE RECOVERY in the West German economy, which remained weak during much of 1983, was more firmly established by the beginning of this year. Real growth in gross national product for 1983 as a whole was only a little over 1 per cent, but the fourth quarter saw a rise of nearly 3 per cent on the corresponding period of 1982. Growth is expected to be sustained at around that level in 1984 as a whole.

The main impetus has come not from higher personal consumption or increased public sector deficits, but from rises in capital investment by the corporate sector. Investment in machinery and equipment is expected to show further strong growth in 1984, with a pick-up in construction investment. This is occurring on the back of a marked rise in corporate earnings during 1983.

The other main feature is a sharp rise both in exports and imports. This was also more apparent at the end of 1983 than at the beginning, with exports rising at an annual rate of 10 per cent by December. Fourth-quarter figures for the regional breakdown of West German trade show the steepest rises in exports going to the U.S.—up nearly 43 per cent on the previous year, and to Japan—up 20 per cent.

COMPONENTS OF GNP

% change over previous year	1982	1983	1984†
Private consumption	−2.2	1.0	1.5
Public consumption	−1.0	−0.2	0.5
Capital investment	−5.1	2.9	5.0
Machinery & equip.	−8.6	5.7	5.5
Construction	−3.9	0.9	5.0
Exports	3.7	−0.9	8.5
Imports	0.8	0.8	8.5
GNP	−1.1	1.3	3.0

† Forecast.
Source: Konjunkturforschungsinstitute

This pattern can be attributed to the stronger recovery occurring in those economies than in West Germany's EEC partners, and also to the D-Mark's depreciation against the dollar and yen.

Inflation slowed during 1983 and the rate of increase in prices should stabilise this year. The only warning sign is the rise in import prices. These rose barely at all in 1983 but have recently begun to accelerate. Dollar import prices, including energy prices, have gone up partly because of the appreciation of the dollar. About a third of German imports are denominated in dollars.

The rise in the dollar has been attributable mainly to factors external to the German economy, notably the recent renewed rise in U.S. interest rates. So although West Germany's current account balance strengthened in 1983, and will probably improve again this year, the D-Mark may still not rise appreciably against the dollar.

The main feature of the capital acount in 1983 was a substantial increase in foreign investment in West Germany, especially portfolio investment.

Worries about the maintenance of the upturn include anxiety about the outcome of the present campaign of strikes aimed at securing a 35-hour working week. The background to the dispute lies in the rapid rise in unemployment and the stagnation of real wages. Unemployment is still more than twice as high as it was at the beginning of 1981, although the rate of increase fell continually in 1983.

The data for yearly working hours shows that contractual hours, which fell more than 10 per cent between 1960 and 1970, and by 6 per cent in the following nine years, have hardly declined at all since 1979. Actual working hours, which were higher than contractual hours in 1970, are now lower because of a reduction in overtime and more short-time working.

The good export performance has calmed some fears that West Germany is losing its competitive edge, especially in engineering. But worries about the high technology sector remain, despite the positive balance of trade in these goods which has strengthened since 1978.

Wage Costs per unit of output*

% change over previous year	1979	1980	1981	1982	1983
W. Germany	3.6	6.3	5.1	3.5	0.2
Belgium	4.7	6.1	6.8	5.0	4.0
Denmark	7.8	10.7	7.9	8.1	6.5
France	9.6	13.6	13.4	11.6	10.0
UK	14.1	22.2	8.4	4.9	3.5
Italy	14.2	19.0	21.6	17.3	15.5
Netherlands	5.2	4.0	2.9	4.6	1.0
U.S.	9.0	10.0	7.8	7.5	3.0
Japan	2.7	4.0	4.5	3.2	3.5
Switzerland	2.4	3.3	5.6	9.2	4.0

* Gross wages and salaries per unit of real GNP.
Source: Deutsche Institut für Wirtschaft

Unemployment

Seasonally adjusted

	Number (000s)	% change over previous period		Number (000s)	% change over previous period
1981			1983		
I	1,074	+6.9	I	2,179	+5.9
II	1,194	+11.2	II	2,288	+5.0
III	1,340	+12.2	III	2,317	+1.3
IV	1,500	+11.9	IV	2,261	−2.4
1982			1984		
I	1,652	+10.1	I	2,218	−1.9
II	1,758	+6.4			
III	1,886	+7.3			
IV	2,057	+9.1			

Source: Bundesanstalt für Arbeit

Yearly Work Hours per employed worker (whole economy)

	1960	1970	1979	1982
Contractual hours	2,124	1,899	1,784	1,772
Sickness	−113	−109	−103	−87
Overtime	+97	+178	+115	+86
Part-time	−20	−46	−59	−63
Lost time	−5	−15	−15	−25
of which				
Short-time working	0	0	2	16
Bad weather	5	15	12	8
Strikes, etc.	0	0	0	1
Actual working hours	2,085	1,909	1,723	1,686

Source: IAB

Long-term Capital Transactions

DMbn, net capital exports

	1980	1981	1982	1983
German investment abroad*	−28.8	−27.6	−30.1	−34.6
Direct investment	−7.4	−8.8	−8.0	−7.4
Portfolio	−7.7	−6.0	−11.4	−10.4
Other	−11.4	−7.9	−6.3	−11.2
Official	−2.3	−4.9	−4.4	−5.6
Foreign investment in Germany†	+34.5	+35.9	+14.2	+27.2
Direct investment	+0.8	+0.8	+2.6	+2.9
Portfolio	+0.9	+1.0	+2.7	+13.6
Other	+9.7	+11.1	−0.2	−1.4
Official	+23.1	+23.0	+9.2	+12.1

* " − " denotes increase. † " + " denotes decrease.
Source: Deutsche Bundesbank

Trade by Region

DMbn + % change

	4th qtr 1983 Exports	4th qtr 1983 Imports	4th qtr 1983 Balance	% change over previous year Exports	% change over previous year Imports
Industrialised western countries	93.3	82.6	+10.7	+9.1	+14.7
of which					
EEC	54.8	51.3	+3.5	+3.6	+12.3
U.S.	10.6	7.3	+3.3	+42.8	+4.1
Japan	1.7	4.5	−2.8	+20.1	+34.0
Centrally planned	6.2	6.3	−0.1	+7.0	+15.8
of which					
USSR	2.7	3.5	−0.7	+3.9	+28.1
OPEC	7.7	7.3	+0.4	−20.5	−21.9
Developing countries	9.5	9.2	+0.3	+5.7	+11.7
Total	117.2	106.6	+11.6	+6.1	+10.8

Source: Deutsche Bundesbank

DM: external value

End 1972=100

	$	Yen	EMS currencies
1977	138.9	170.8	132.1
78	160.7	109.4	138.6
79	175.9	125.2	143.6
80	177.6	130.5	145.4
81	143.1	102.1	149.8
82	132.9	107.2	163.0
83	126.5	97.4	173.1
84†	121.1	90.3	177.5

* Excluding UK. † April.
Source: Deutsche Bundesbank

Price Levels

% change over previous year	1982	1983	1984
Private consumption	5.3	3.0	3.0
Exports	4.2	1.5	3.0
Imports	2.3	0.5	2.5
GNP	4.8	3.2	2.5

Source: Konjunkturforschungsinstitute

Commentary by Our Economics Staff; data analysis by Financial Times Statistics Unit; charts and graphs by Financial Times Design Department.

OVERSEAS NEWS

Reagan visit to Ireland may bring headaches

BY BRENDAN KEENAN IN DUBLIN

PRESIDENT Ronald Reagan's visit to his ancestral Irish roots this week, far from providing Dr Garret FitzGerald, the republic's Prime Minister, with a ready-made political triumph, may instead leave him with an uncomfortable political and security headache.

The origins of the protests which seem likely to mar the presidential trip probably lie in the funeral four years ago of Archbishop Oscar Romero of El Salvador.

The funeral of the archbishop, who was slain while saying mass, was attended by the then Bishop of Kerry, Dr Eamon Casey, and an enterprising reporter from the Irish broadcasting service, RTE.

When the funeral mass was also attacked by gunmen, her gripping tape-recording of the terror and carnage provoked an Irish interest in Latin American politics which has grown in the intervening years.

In Ireland opposition to Mr Reagan's policies centres on Nicaragua and El Salvador rather than cruise missiles, and the protest will be led by churchmen like Dr Casey, now Bishop of Galway and a possible choice for the vacant archdiocese of Dublin.

The usual left-wing groups which might be expected to object to a U.S. president, and who could safely be ignored, now find themselves in the unlikely company of the more progressive members of the Roman Catholic clergy.

Many lay and clerical Irish Catholics are working in the Third World and have been converted to the ideas of "liberation theology" – ideas viewed with suspicion by most Irish bishops and the Pope.

Dr FitzGerald's suggestion that Mr Reagan be given an honorary degree from the national university has split the university's academic staff.

A dozen parliamentarians, including one from the Government, say they will boycott Mr Reagan's address to both houses of parliament, and Dr FitzGerald's coalition partner, the Labour leader Mr Dick Spring, has been ordered by his party to protest to Mr Reagan about U.S. policies.

President Reagan: posing problems for FitzGerald

Any U.S. President is, of course, used to protest, and the extensive security arrangements should ensure that there is no personal embarrassment or discomfort for Mr Reagan. But the matter is of great importance to the Irish themselves.

The U.S. holds a special affection for many Irish people, as the place where millions escaped from poverty and starvation at home in the last century, and where thousands have found opportunity since. Older people especially, will regard a protest, however well-intentioned, as ingratitude.

The Government's embarrassment stems from the warm reception given to Irish leaders in the U.S. Last March, Dr FitzGerald became the third Irish premier to address a joint session of Congress – a remarkable gesture to a small country. Substantial anti-Reagan protests in Ireland would provide a sharp contrast.

There are also fears that more practical harm could be done. U.S. companies are by far the biggest foreign investors in the Irish Republic. The 36,000 people they employ make up almost half of those working in foreign-owned industry.

Dr FitzGerald has warned that further investment could be threatened by protests, especially if they were violent. The anti-Reagan groups reject this idea, saying U.S. investors come only because Ireland's tax breaks make it attractive to do so.

The threat to tourism is more real. Americans may not be too happy about marches in support of Nicaragua's Sandinista Government, and conservative Irish Americans may be estranged from a home country which has changed beyond recognition from 30 years ago.

In the end, the Reagan visit could have more effect on Irish Catholicism than anything else. Dr Casey plans to be diplomatically absent from Galway when Mr Reagan visits the city, where a cathedral built by the bishop contains a mosaic commemorating another U.S. president with Irish ancestry, John F. Kennedy.

But, as one observer put it: "The bishops are supporting in Latin America, things they would denounce from the pulpit if tried in Ireland." Mr Reagan's visit is an opportunity for liberals in the church to bring the arguments closer to home and not a few churchmen will hope the questions retreat, along with Mr Reagan, across the Atlantic.

Catalan bank fraud case to be put to Madrid court

BY TOM BURNS IN MADRID

BARCELONA'S regional court ruled yesterday that it was not competent to hear charges of embezzlement and fraud brought by Spain's Attorney General against the Catalan nationalist leader Sr Jordi Pujol, who is President of Catalonia's regional government, and 24 other former senior executives of Banca Catalana. The charges are now expected to go before the supreme court in Madrid.

The ruling has fuelled still further the controversy over the Banca Catalana affair, fast becoming the most serious political test faced by the Madrid Socialist Government since it took office 18 months ago. The Attorney General's charges, made public last week, have prompted a virulent response in Catalonia against Madrid and the central Government.

Sr Pujol was re-elected President of the Catalan government in a sweeping electoral victory last month. He was the founder of Banca Catalana and its Chairman until he resigned in 1977 to devote himself to politics. He was first elected President of the Catalan autonomous government in 1980 and is regarded as the father figure of modern-day Catalan nationalism.

The Attorney General's charges followed investigations by the Central Bank of Spain into the collapse of Banca Catalana in 1982 with a negative net worth of Pta 139bn (£64.8m at today's prices). The Catalana banking group actively sponsored Sr Pujol's

The Barcelona court ruled 25-3 that only the Catalonian Supreme Court was competent to deal with the case according to the fine print of the Catalan Statute of Autonomy. This supreme local legal body has yet to be created and the decision on taking up the Attorney General's charges was effectively handed back to Madrid.

The Attorney General, foreseeing such a ruling by the Barcelona regional court, has already stated that he would press his charges before Spain's Supreme Court.

The high feelings in Catalonia at present reflect a consensus Catalan viewpoint that the Socialist Government in Madrid is attempting to discredit Sr Pujol and by extension the Catalan autonomy process. The legal suit is seen as being sponsored by the Central Government as a revenge for Sr Pujol's resounding local victory in elections last month at the expense of the Socialist Party.

Argentina speeds up talks with banks on debts

BY JIMMY BURNS IN BUENOS AIRES

HIGH-LEVEL negotiations between Argentina and commercial banks on the country's $43.6bn foreign debt problem are being speeded up as a result of the recent Argentine commitment to reach an early agreement with the International Monetary Fund.

Sr Enrique Garcia Vazquez, president of the Argentine Central Bank, confirmed over the weekend that he had held talks with Mr William Rhodes of Citibank and chairman of the steering committee in charge of Argentina's foreign debt.

No foreign bankers were available for comment yesterday on Mr Rhodes's surprise visit to Buenos Aires at the end of last week. But, Sr Vazquez said that the talks reflected a wish to find a solution well before the new quarterly deadline for U.S. banks on June 30 as opposed to another round of brinkmanship.

Sr Vazquez confirmed that talks with the IMF "were going very well" and that a letter of intent would be ready by the end of the month or within a few days after that.

Belgrade-IMF prices move

BY ALEKSANDAR LEBL IN BELGRADE

YUGOSLAVIA and the International Monetary Fund have patched up their differences over the Yugoslav pricing policy. This means that the fund will release the first tranche—$100m—of the $370m (£264m) standby credit for 1984 and that Yugoslavia will free totally prices on some 55 per cent of goods.

As at May 3 the freeze on prices of some 20 per cent of goods, introduced in mid-December of last year, was lifted while prices of some 35 per cent of goods were freed subject to a 30-day notification to the authorities.

It was this notification the IMF objected to. The aim of the Yugoslav Government was to slow inevitable price increases. If this is at least partly achieved, nothing stands in the way of the measure being completely revoked.

NOTICE TO DEBENTUREHOLDERS

K MART (AUSTRALIA) PROPERTIES FINANCE LIMITED

7¾% Trust Debentures

RoyWest Trust Corporation (Cayman) Limited of Grand Cayman, B.W.I. (the "Stock Trustee") is the trustee of the Kurralta Properties Stock Trust created for the beneficial interest of the Debentureholders and pursuant to which it established Kurralta Properties Pty. Limited and is the owner of all its issued capital.

Kurralta Properties Pty. Limited in turn is the owner of all the issued capital of K mart (Australia) Properties Finance Limited, the issuer of the above Debentures.

The Stock Trustee is obliged to make available to Debentureholders information which it believes will be useful to such holders, who from September 15, 1984 through October 15, 1984 may elect either to allow the Debentures to mature on December 15, 1984 or, subject to certain conditions, to extend their maturity to September 15, 2002.

The Stock Trustee has therefore arranged for the preparation of a Booklet containing such information together with detailed information concerning the procedures Debentureholders should follow in electing whether or not to extend the Debentures. This Booklet will be available upon request on and after May 22, 1984 at the offices and addresses stated below:

The Royal Bank and Trust Company
Corporate Trust Department
68 William Street
New York, New York 10005

Citibank, N.A.
336 Strand
London, England WC3R 1HB

Citibank Aktiengesellschaft
Grosse Gallustrasse 16
Frankfurt/Main, Germany

Citibank, N.A.
Fror Buonaparte, 16
Milan, Italy

Citibank (Luxembourg) S.A.
16 Avenue Marie Therese
Luxembourg

RoyWest Trust Corporation
(Cayman) Limited
Royal Bank Building
Cardinal Avenue
Grand Cayman, B.W.I.

RoyWest Trust Corporation
(Bahamas) Limited
West Bay Street
Nassau, Bahamas

Citibank, N.A.
111 Wall Street—5th Floor
Receive and Deliver Department
New York, New York 10043

Citibank, N.A.
Herengracht 545-549
1000 CB
Amsterdam, The Netherlands

Citibank, N.A.
Avenue de Tervuren, 249
Brussels B-1150, Belgium

DATED at Grand Cayman, B.W.I. this 16th day of May, 1984.

IMPORTANT NOTICE FOR DEBENTUREHOLDERS

of

K mart (Australia) Properties Finance Limited

(incorporated in Bermuda)

7¾% Trust Debentures due December 15, 1984
(the "Debentures")
(subject to extension to September 15, 2002)

Further to the notice of April 11, 1984, which announced the intention of Orion Royal Bank Limited, on behalf of G. J. Coles & Coy. Limited, to make an offer to acquire all the Debentures which on September 15, 1984 are outstanding, at a price and on the conditions stated therein, please note that copies of the document setting out the details of the offer will be available for collection from June 1, 1984 at the addresses stated below:—

Orion Royal Bank Limited,
1 London Wall,
London EC2Y 5JX.

Citibank (Luxembourg) S.A.,
16 Avenue Marie Thérèse,
Luxembourg.

May 29, 1984 **Orion Royal Bank Limited**

OVERSEAS NEWS

Paris and Bonn have agreed to back key projects, **Peter Marsh** reports

W. Europe set to join U.S. space station programme

WESTERN EUROPE is virtually certain to participate in the U.S. programme to build a space station, following an agreement between France and West Germany, the continent's major space powers, to support two projects closely associated with the orbiting outpost.

French officials have said they will back the Columbus project, proposed by West Germany, with support from Italy, which would provide modular units, for example, for scientific experiments, that could be fitted to the U.S. station.

In return, West Germany will support a programme favoured by France to develop a powerful cryogenic engine—a motor fuelled by liquid oxygen and liquid hydrogen—for space vehicles.

The engine would form a key part of a new version of the Ariane launch vehicle that could ferry people or materials to the space station.

In January, President Ronald Reagan asked Western Europe, together with Japan and Canada, to help build the $8bn (£5.7bn) orbiting base, which should be assembled by the early 1990s.

The U.S. President is likely to ask for broad approval for the scheme at next week's seven-nation economic summit in London.

The European nations have agreed that any collaboration will be through the 11-nation European Space Agency (ESA), based in Paris. France and West Germany want the Agency to commit itself to Columbus and the new engine later this year, probably in October.

That would leave the way clear for a formal decision, probably by spring next year, to collaborate with the U.S. on the space station.

Although some of ESA's other members have their reservations about the two new projects, mainly on grounds of cost, they are likely to fall in with the main thrust of the Franco-German initiative.

These two countries contribute nearly half the agency's annual budget of $770m and the organisation would virtually fall apart if they did not get their way.

According to one German official, Columbus and the cryogenic engine would, respectively, cost about $800m and $600m to develop. The first version of the Columbus module would be ready by 1990.

Based on the space lab, which ESA has already developed for trips into space inside the U.S. space shuttle, Columbus in its initial form would depend on the U.S. core of the space station, for example, for computer and life-support systems.

Later versions would be independent, giving Western Europe the capability to build its own manned space station, perhaps after the year 2000.

The main difference between West Germany and France is that the latter would like to push on far more quickly with the new launch vehicle in which the cryogenic motor would be a key component.

Called Ariane 5, this would be able to send to the space station teams of astronauts inside a small space "tug" called Hermes.

As a prelude, the French National Space Agency (CNES) is considering setting up later this year a pool of about five part-time astronauts.

These people would have jobs in electronics or space research, for example, and participate in forays out of the atmosphere, perhaps once every three years, initially as guests on U.S. or Soviet space vehicles.

France is particularly keen that the U.S. lets vehicles, other than its own space shuttle, dock with the orbiting base. "If the U.S. doesn't agree to this, then we won't participate," says M Frederic d'Allest, director-general of CNES.

France says the annual budget of ESA should increase by 50 per cent by 1990 to accommodate the new schemes. West Germany attaches less importance to Ariane 5 and thinks the budget should increase by only about 20 per cent.

Another difference is that France is more keen on using an orbiting base for manned intervention with space vehicles, for example, to repair faulty satellites.

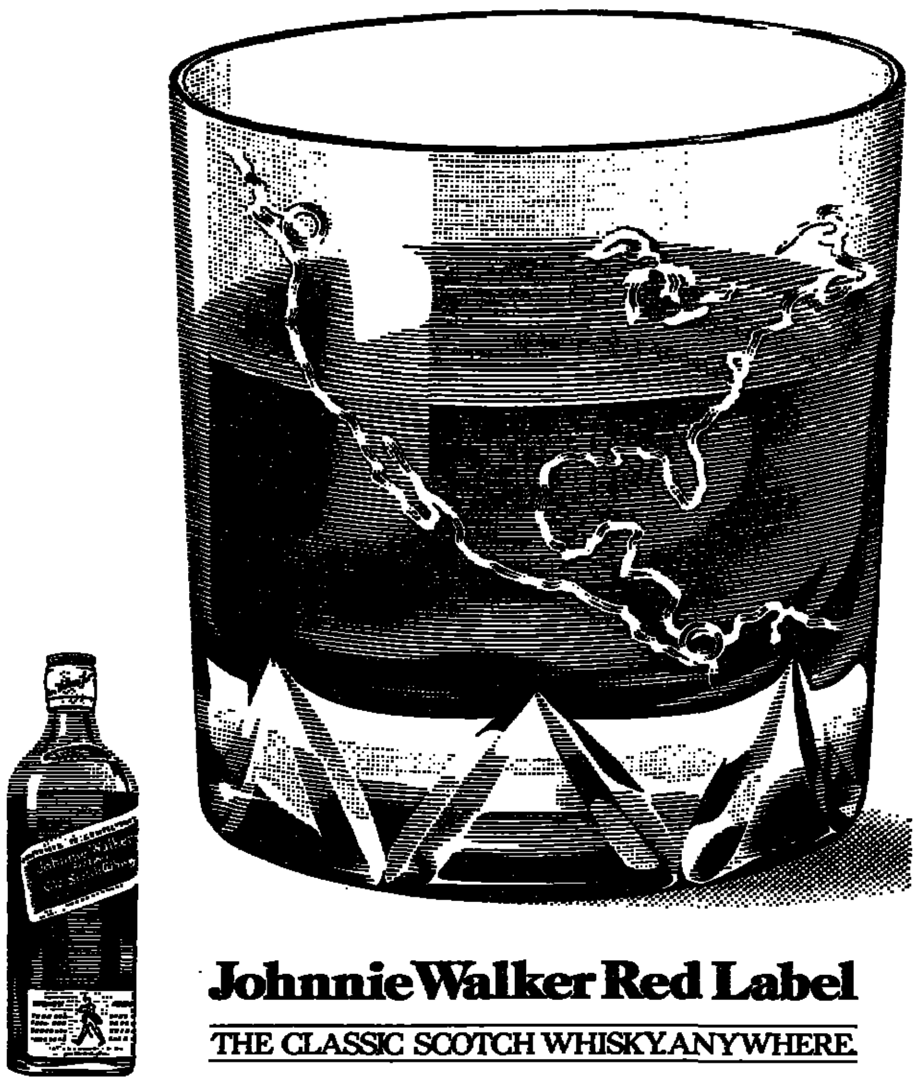
CNES officials are also studying the use of space outposts for military purposes, for example, for tests with laser weapons.

West Germany, in contrast, is enthusiastic about turning out new and exotic materials in the low gravity of space.

Other countries fear that Europe could gain more from collaboration with the U.S. by concentrating on specific technical disciplines—for example, ways of achieving automatic docking with space craft, or new communications technologies, rather than by backing large expensive schemes.

"I'm trying desperately to avoid the politics and push the agency towards a programme that is technologically intelligent," one influential ESA delegate said.

Another concern is the running cost of the station, which could be as much as $2bn a year. According to some nations, Europe could end up paying a large proportion of these costs, which it is feared would financially cripple the space agency.



Hostile reaction likely to unions' report

BY IVO DAWNAY IN BRUSSELS

WORKERS SEEKING to reduce their weekly hours to create more jobs must fight for major time cuts over as short as possible a period if the move is to have maximum effect.

If possible, their negotiators should also seek to incorporate agreements on replacement staff to make up the lost productivity as part of the agreement.

These are among the controversial conclusions of a report, published yesterday by the European Trades Union Institute, on the practical effects of the seven-year battle by its parent organisation, the European Trades Union Confederation, to reduce the working week to 35 hours.

The study is certain to provoke hostile reaction from many employers, particularly in the light of current industrial action for reduced weekly working in West Germany that has brought tens of thousands of workers out on strike.

It is accompanied by two parallel reports on the economic cost of unemployment in western Europe and the use of public investment to boost job creation.

The broad strategy of the three documents is to argue for a substantial attack on unemployment through reduced working hours and state spending. The paper on working time says that reduced weekly hours can be achieved without loss of production by restructuring of working methods and heavier emphasis on automation.

Swiss bankers' code 'should become law'

BY JOHN WICKS IN ZURICH

SWISS BANKS should be "categorically forbidden" to give active support to the transfer of fugitive funds from abroad, according to Mr Otto Stich, Social Democratic Minister of Finance.

The minister, speaking at a meeting of regional and savings banks in Lucerne at the weekend, said that despite the recent rejection of the "banking motion" in a national referendum, bank secrecy must not become a carte blanche for tax evasion.

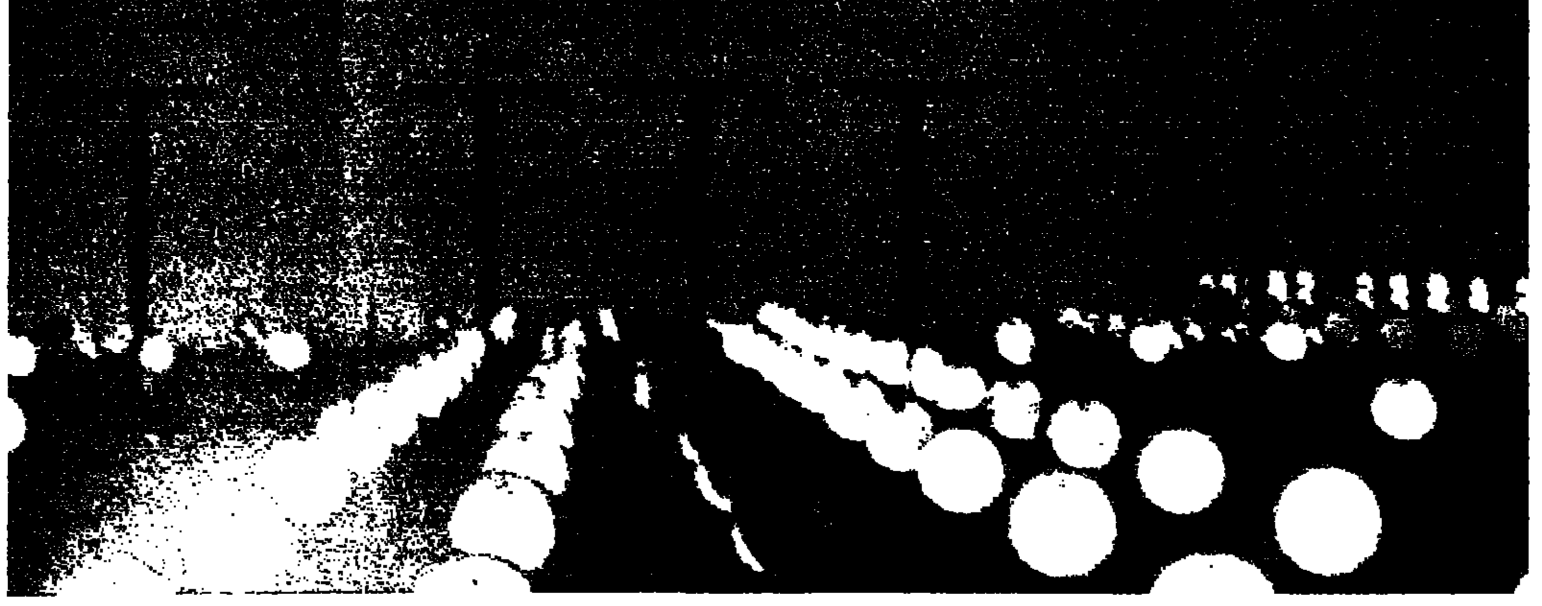
"We shall therefore use all means to bring about the observance of existing laws, as well as considering how loopholes can be closed," he said.

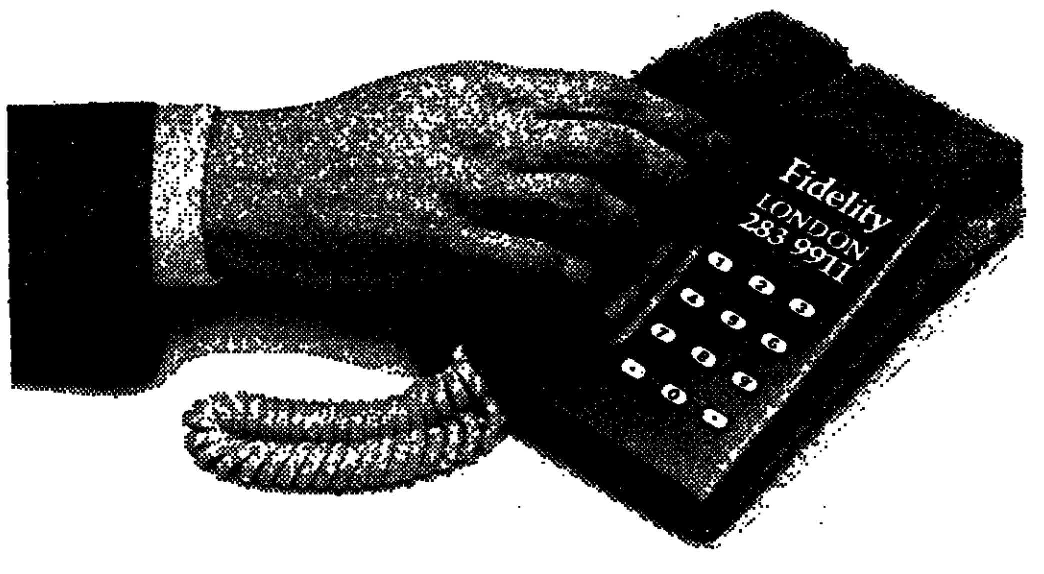
Mr Stich called for inclusion in the revised Banking Act of a code of conduct which currently forms the subject of an agreement between the Swiss Banker's Association and the Swiss National Bank. This agreement, which expires in 1987, prohibits the "active aiding and abetting of capital flight, tax evasion and similar acts," as well as laying down rules by which banks can identify the source of funds placed with them.

He added that there should be a "clarification" of the co-operation between the Swiss Banking Commission, the control body responsible for the financial sector, and corresponding foreign authorities, as well as that between the commission and the National Bank.

Only last week, the Swiss National Bank had expressed reservations as to how well the agreement was working in stopping banks from giving active support to fugitive capital movements. It said the agreement would not be renewed and called on the banks to draw up a voluntary code of ethics.

The minister also called for a clause covering depositor protection in the revised banking act, which is currently in the process of drafting. The clause would be a flanking measure to the voluntary protection agreement initiated this month by the bankers' association.





WORLD TRADE NEWS

GEC poised to win India power station deal

By John Elliott in New Delhi

GEC the UK industrial conglomerate is on the brink of concluding a £150m contract to build a power station in India for Bharat Aluminium, a government owened production company.

The Indian Government is understood to have accepted an outline financial package offered by the UK which includes grants totalling almost £100m to help cover a substantial proportion of the cost of over £120m of imported equipment.

This is the first major power station order won in India by the UK for two years. In 1982 NEI was awarded a £230m order for a *1,000 Megawatt station on* the national grid at Rihand in Uttar Pradesh by the National Thermal Power Corporation.

GEC's main competitor has ben *Bharat Heavy Electrical* (BHEL), India's state-owned power station contractor, which lobbies hard against orders being placed abroad.

BHEL put in its bid to build the 270mw station last June but was overtaken by GEC which organised a counter bid backed by the UK Government. The fact that a substantial proportion of the cost of imported equipment will be covered by grants reduced the power of BHEL's arguments.

The Bharat Aluminium plant is part of a substantial programme to build power stations inside major industrial establishments to offset shortages in the country's public grid.

David Brown adds from Stockholm: A consortium of companies led by Asea and the state-owned Gotaverken Energy Systems, will divide an SKr 810m (£74m) order for a coal-fired electrical generating plant, understood to be one of the largest ever won by Swedish companies from India.

The order, for a turnkey 108 Mw plant, has been placed by Indiar Charge Chrome Limited (ICC) which is expanding its production facilities for strategic ferrochrome alloy in Choudwar, South-west of Calcutta.

The eectrical plant will eliminate ICC's dependence on outside sources of power.

Some tanker owners see high profits in risk

Shipping Report: By Andrew Fisher

THE TANKER market was given a sharp twist late last week by the hiking of hull insurance rates from 3 per cent to 7.5 per cent for the key Iranian oil terminal of Kharg Island. In the wake of a string of attacks on merchant shipping in the Gulf, business from the region has faded.

There have been reports, however, of privately arranged fixtures from Kharg Island. No details are known, but rates of two or three times the Worldscale 35 prevailing two months ago have been mentioned for such deals.

E. A. Gibson Shipbrokers said there was "a hard core of shipowners who are prepared to run the risk for the extremely rich rewards available." Thus any owner who gambled recently by purchasing a big tanker in the hope of a sudden upturn in business could now find the judgment vindicated.

Some brokers reported that a large tanker was fixed from the Saudi port of Ras Tanura to Western destinations, but there was no confirmation. The steep rise in insurance rates, though not applying that far South, could boost overall rates by a further 10 to 15 per cent, one said.

Rates for smaller ships of below 100,000 tonnes also jumped last week, noted Galbraith's, since they were also vulnerable to attack. Much depended on whether owners could get crews to enter the danger zone.

Hopes among some owners of high risk business showing high profits, could also slow the movement of tankers to the scrapyards. Virtually the only area of employment for VLCCs (very large crude carriers) is the Gulf.

But one tanker was said last week to be destined for the shibreakers. That was the Safina Al Arab, a recent casualty of the Gulf warfare. It has reportedly been bought for demolition in Taiwan for some $4.3m.

Iraqi pipeline deal boosts Jordanian port

BY RAMI KHOURI IN AMMAN

JORDAN'S Red Sea port-resort of Aqaba, a transit link for imports into Iraq, is acquiring a new role as an export point for Iraqi industrial products, and *now even crude oil.*

The Jordanian and Iraqi Governments last week reached formal agreement on building a 1,030-*mile* pipeline from Southern Iraq to Aqaba for the export of Iraqi crude and to feed a new petroleum refinery planned for Aqaba.

Jordan will meet two-thirds of the estimated $950m cost. Iraqi's share will be financed from oil revenues and through oil transit tolls in Jordan. The pipeline will be built by the U.S. Bechtel Corporation.

It is understood that it will have a capacity of around 1m barrels a day and that construction will take two years. Iraq's oil exports are presently limited to only one supply route—the pipeline through Southern Turkey.

The new pipeline will be a further fillip to the small city of Aqaba, which now plays a key role in the economies of both Jordan and Iraq.

As Jordan's only outlet to the sea, Aqaba port has grown briskly in the oil-fuelled boom decade since 1974. It has undergone two major expansion projects since 1978, allowing it to quadruple the cargo it has handled to over 11m tons last year.

A $60m container terminal equipped with roll on-roll off berths, straddle carriers and gantry cranes will comes into service later this summer, allowing Aqaba to handle the huge, third generation gearless container vessels that will dominate containerised shipping in the future.

Mr Mardi Qatameen, the port director, is confident the expanded port will be able to handle Jordanian, Iraqi and other states' cargo requirements until at least 1995. *Half of last* year's total imports of 6m tons were transit traffic to Iraq, and during the past year Iraq has started to export some fuel oil, sulphur and chemical fertilisers from Aqaba.

Mr Qatameen's strategy further to develop Aqaba as an attractive transit point for other nearby Arab states is based on a combination of competitive port and land transport rates, efficiency (there is no delay in unloading ships at Aqaba), and modern facilities. He expects the port to handle about 12m tons of cargo this year.

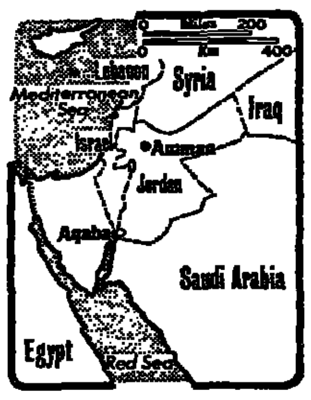
Aqaba has a long history of serving the regional interests of Middle Eastern powers, dating from the time of King Solomon. Most notable is its recent importance as an export point for Jordanian products and an industrial centre. Last year, 3.7m tons of Jordanian raw phosphate rock was exported from Aqaba, and 5m tons of *phosphate* exports are anticipated this year.

The new chemical fertiliser *plant* will export nearly 1m tons per year of phosphate-based fertilisers and industrial acids at *full* production next year. Its separate berth also will be used to export the 1.2m tons per year output of the Arab Potash Company, 156 miles north along the shores of the Dead Sea.

The speedy development of the port has been accompanied by a town planning effort that is something of a model for other cities in the region. Aqaba was a sleepy, sunny, picturesque fishing village of just 9,000 people in 1961.

Its population has since more than quadrupled but thanks to a city plan developed in the early 1960s and strictly followed the growth has been both orderly and balanced. Commercial, industrial, tourist and residential districts are clearly delineated.

Future industrial schemes, such as the possible new refinery, will be hidden behind the mountains. Vehicle access to the industrial area in the south and the port will be provided by a new ring road running well away from the city centre. The attractions of a crystal-clear sea and equable temperatures cooled by a northerly breeze seem unlikely to be spoilt.



WORLD ECONOMIC INDICATORS

UNEMPLOYMENT

		Apr. '84	Mar. '84	Feb. '84	Apr. '83
UK	000s	3,108	3,143	3,186	3,170
	%	13.0	13.2	13.4	13.3
U.S.	000s	8,843	8,772	8,801	11,369
	%	7.8	7.8	7.8	10.2
		Mar. '84	Feb. '84	Jan. '84	Mar. '83
W. Germany	000s	2,393	2,537	2,539	2,387
	%	8.9	9.4	9.4	8.8
France	000s	2,247	2,258	2,252	2,017
	%	9.8	9.9	9.9	8.8
Italy	000s	3,005	3,003	2,960	2,739
	%	13.3	13.3	13.1	12.1
Netherlands	000s	835	858	863	768
	%	14.9	15.3	15.4	13.7
Belgium	000s	574	589	602	563
	%	14.0	14.4	14.7	13.8
		Feb. '84	Jan. '84	Dec. '83	Feb. '83
Japan	000s	1,710	1,650	1,430	1,650
	%	2.7	2.7	2.6	2.7

Source (except U.S., UK, Japan): Eurostat

Romania opens Black Sea canal

BY *LESLIE* COLITT IN BERLIN

ROMANIA has opened a $2bn canal, which cuts the passage from the River Danube to the Black Sea by 230 miles and is designed to attract shipping from Western Europe to the Middle East.

President Nicolae Ceausescu inaugurated the 40 mile-long canal, which was begun in 1949 and employed some 60,000 forced labourers, of whom thousands died before it was abandoned in 1953. Work resumed in 1976 in what was proclaimed Romania's largest investment project.

The canal runs from Cernavoda to Constanta on the Black Sea and has three new inland ports along its length, as well as a new seaport, Constanta Sud, which will be able to handle 150,000 tonne dwt bulk carriers. Goods are to be transshipped at Constanta Sud from 5,000 tonne cargo vessels, which the canal can handle.

Under a new law, foreign companies will be able to rent berths, warehouses and other facilities at the new seaport. Rates for use of the canal are yet to be announced. The canal has been built to carry 75m tons of freight a year but Western shipping operators doubt that it will atract that much business.

It will be several years before it can be used by the West Germans, who are expected to be the main customers. The Rhine-Main-Danube canal in Southern Germany must first be completed before a through-waterway will exist from the North Sea to the Black Sea.

The plan for the canal envisages the creation of new industries along the waterway and the irrigation of millions of hectares of farmland in the arid Dobrogea region.

Japanese look at local assembly for car growth

By Kenneth Gooding, Motor Industry Correspondent

ASSEMBLY outside Japan will provide most future expansion for Japanese car makers, according to the latest report from DRI Europe, the London-based forecasting group.

This new direction has already started. Last year Japanese exports of built-up cars rose by only 1 per cent from the 1982 level while shipments of KD (knockdown) kits for assembly elsewhere jumped by 30 per cent.

DRI suggests that by 1990 the Japanese industry will be exporting at least 900,000 kits a year, judging by the manufacturers' current *plans* "and the figure could easily reach 1.8m."

The change has been promoted because the cost penalty of setting up local assembly plants compared with exporting from Japan has been greatly reduced. Assembly has become a capital-intensive rather than a labour-intensive process now that robots can carry out so many operations.

DRI says the great majority of the kits will be destined for the industrialised countries such as the U.S., Western European countries, South Africa and Australia. It predicts that Mazda and Mitsubishi are likely to follow Honda and Nissan into local car assembly in the U.S.

The Japanese also have in mind the spread of protectionism in the West, the report points out. DRI suggests that the current voluntary restraint agreement which in the year to next April will restrict Japanese car sales in the U.S. to 1.85m will be replaced by a "prudent marketing" agreement similar to the one between the Japanese and UK industries. This has the effect of keeping Japanese car sales in Britain below a certain percentage of the market.

The report maintains that during the period of voluntary restraint in the U.S. the Japanese have been breaching the spirit of the agreement with "back door" shipments via third countries such as Guam. "This seems to have provided a significant cushion for U.S. dealers in Japanese products."

DRI World Autos Forecast Report for 21 countries; £900 from DRI, 30 Old Queen Street, London SW1H 9HP.

New Gatt ruling more favourable to EEC

By Christian Tyler, Trade Editor

THE EUROPEAN Community has succeeded in altering the unfavourable verdict of the panel set up to adjudicate on Washington's complaints that U.S. exports of raisins and tinned fruit to Europe are unfairly hit by Common Market production subsidies.

EEC negotiators at the General Agreement on Tariffs and Trade (Gatt) in Geneva had refused to accept the Gatt panel's first ruling three months ago. They protested in particular that the special case of Greek raisin producers had not properly been taken into account.

The tinned fruit dispute is the latest of a number of trade battles over agricultural products between the U.S. and the EEC, to come before the Gatt. Previous disputes, such as those over subsidised exports of wheat flour and pasta, show that a clear-cut verdict accepted by the loser is rarely achieved.

The panel's second report excuses the arrangement made for Greek producers of dried grapes on their country's accession to the Community, and modifies its earlier judgment on canned peaches, pears and fruit cocktail.

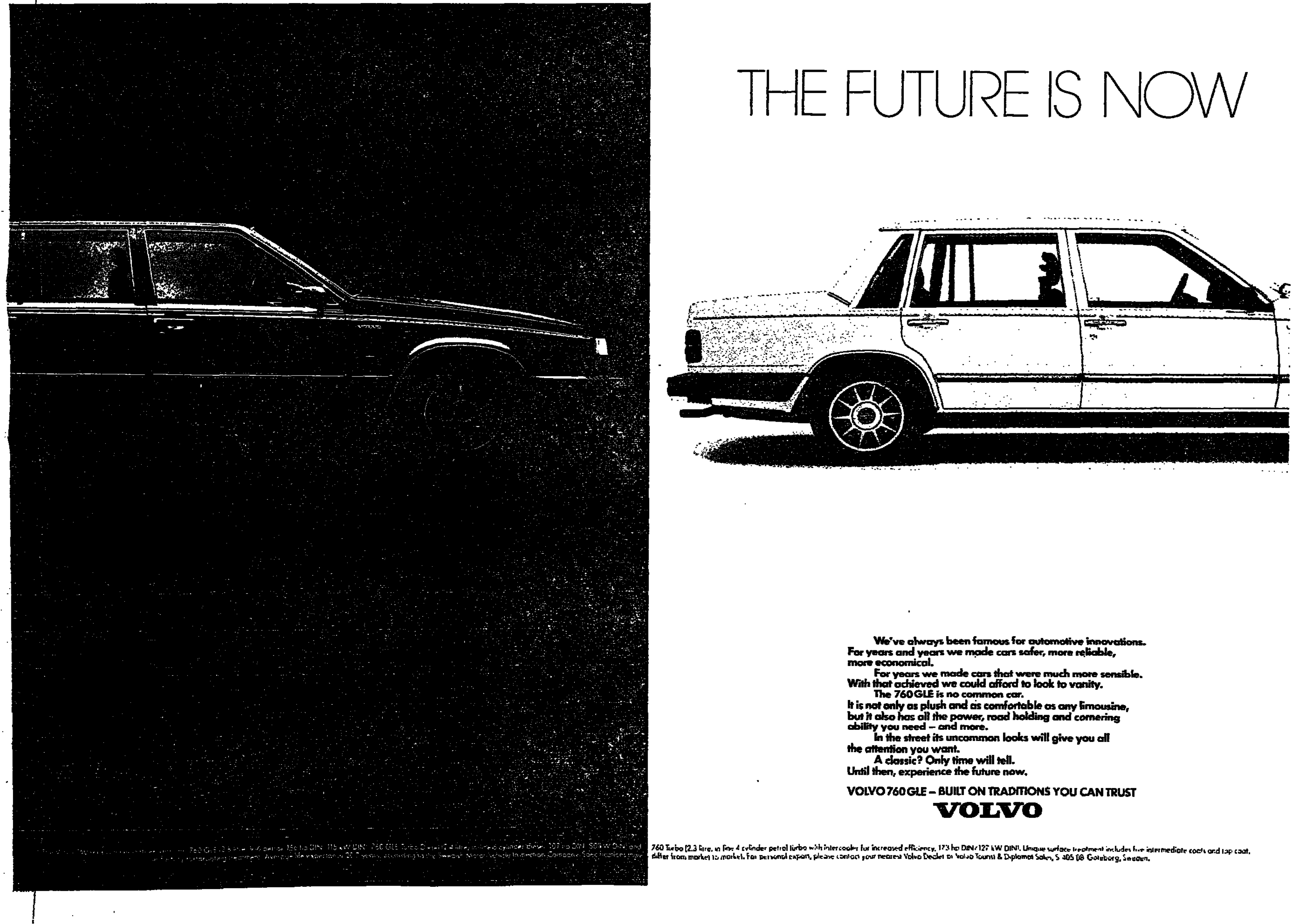
Complaints over Swiss arms deal

SWITZERLAND'S largest arms deal, the purchase of 210 Leopard II tanks worth nearly SwFr 2.4bn (£810m) from West Germany, could be in jeopardy. **Anthony McDermott** writes from Geneva.

Agreement to buy them was reached in principle last August, and a further purchase of another 210 tanks is also at stake.

The Swiss Parliament is complaining about the cost of the purchase. According to the Defence Ministery in Berne, 35 of the tanks which are being bought "off the shelf" from Krauss-Maffei of Munich are about 35 per cent cheaper than those which are to be produced under licence in Switzerland.

The Government says however that the remaining 175 to be built under licence will ensure employment for some 1,000 workers at Buehrle-Contraves of Zurich over the next eight years.



Team to seek more exports to Italy

By Tim Dickson

FIVE BRITISH businessmen from small- and medium-sized companies will next week spearhead a drive to improve exports to Italy. They are members of a "market investigation" mission, to be headed by Lord Jellicoe, chairman of the British Overseas Trade Board.

The board says excellent opportunities exist in Italy. At the moment, however, it is badly neglected with the balance of trade in Italy's favour, particularly in food and consumer goods. It notes: "The market is open, relatively close, wealthy, and part of the European community. At 4 per cent, the UK share is pitifully low."

Members of the British group work at the "sharp end" of exporting. They will be examining what the trade board calls the traditional, but often exaggerated, problems of doing business in Italy.

Several of the "opportunity areas" – consumer goods such as food, beer cars and do-it-yourself equipment, computers, electronic components and equipment, medical and scientific instruments, and security equipment – will be covered by Lord Jellicoe's team.

John Lloyd describes the motivation of the men in dispute with the National Coal Board

Faith, pride and militancy of the striking miners

BE THEY ever so humble (which they are not), Mr Ian MacGregor, chairman of the National Coal Board (NCB), and Mr Arthur Scargill, president of the National Union of Mineworkers (NUM), will find it hard to accommodate each other when they or their proxies get down to talking this week in an attempt to settle the 11-week-old pit strike.

Mr MacGregor must staunch his losses and please the Prime Minister. Mr Scargill must satisfy his supporters – which will be terribly hard to do.

All up and down the British coalfields are men whose job forces them to rely on each other. They have constructed networks of support and action during the dispute which have now gained a momentum of their own. They have returned instinctively to the trade union practices of a century ago in their organisation of self-help schemes and charitable ventures, and in their creation of at least a local climate of approval for their strike.

Take Mr John McCalpine, chairman of the strike committee at Oakley, a village in the Fife coalfield in Scotland where the miners make up 40 per cent of the working male population and work in pits nearby like Bogside and Comrie. Mr McCalpine is small, stocky, in his forties, with grey thinning hair; he smokes hand-rolled cigarettes and drives an eight-year-old Volkswagen. He is full of energy and leads by example.

When men like Mr McCalpine organise jumble sales to raise funds, they out-jumble the acknowledged mistresses of the art among rural Conservative chairwomen or inner city do-gooders. They grab it in by the sackload and shunt it round in vans from hall to hall until it all goes, and then they get some more.

When their members face financial problems, they make deals with the Fife County Council which defers rent on the council houses most of them live in.

When reporters from London papers talk to them, they say at the end of the interview: "I don't want to annoy you, but you had a good interview so what about a contribution to the miners' fund." Then they offer a receipt.

Mr McCalpine and his fellow strike committee members, like Mr John McDonald and Mr Willie Telford, have faith, pride and militancy: a formidable triptych of qualities. You can move governments with them: or so they believe.

Faith. Mr McCalpine says: "Arthur Scargill has never told a lie in his life. Arthur Scargill is a miner, he thinks as a miner, he talks as a miner, he acts as a miner, I fear nothing from the talks which they'll have because I *know* they won't let us down. They are 100 per cent."

There is general agreement. Their president (70 per cent of the vote in the presidential election only two years ago) has committed himself fully to fight for their jobs.

Mr Jim McCulloch, of the Nacods (overseers) branch of the union, speaks of Mr MacGregor. "It's not the man, it's the policies. The policies would have caused a strike sooner or later."

"His style hasn't helped," says Mr McDonald. "Up to this point in time we've had men come up through the *ranks. What does he know?"*

The faith is born not just from trust of Mr Scargill and mistrust of Mr MacGregor but from a belief that only a strong position, a strong stand, can save them. "Scotland is a marginal field, MacGregor says," says Mr McCalpine. "And he wants to close down all marginal fields. They've shut five or six pits in Scotland in the past three years, and we should have stopped that. But now we're stopping here."

Pride. What other group of workers know so much about itself? Miners refer you to books, like Webster's History of the Fife Coalfields, and Behind the Diamond Panes, which tells some of the story of the Fife miners and how until the 19th century they were in effect serfs. The men were given collars and the women bracelets to mark them as the coal owners' property. They could be, and were, hunted and returned if they deserted their pit.

The Fife coalfields in the early and mid 20th century produced a *remarkable efflorescence of left-wing* political culture. Communism was dominant – West Fife supported a Communist MP in Willie Gallagher for 15 years – but there was Trotskyism, anarchism and every known branch of left-wing socialism.

Oakley, says Mr McCalpine, had the biggest ironworks in western Europe in the 19th century, fed by Oakley miners working a mine which drifted into the outcrops of coal all around the village. "There's *coal all about,"* says Mr McCulloch. "We know where it is, it's been worked here for centuries, the monks used to work it. There's still plenty."

Militancy. Across from the hall where the strike committee has its headquarters, a police car sits much of the time. When miners get into their rented minibus and drive west out of the village, they say that a police car stops them before they have moved a mile.

"There's quiet lads in this village now hate the police and are thinking of joining revolutionary groups," says Mr McCulloch. Mr McCalpine adds: "For every one man that got arrested there's 15 in his family or who know him that are now against the police."

Those miners who work at Bogside have, theoretically, no pit to go back to: The coal board has said that it will remain closed because it was partially flooded during the overtime ban before the strike. Mr McCalpine insists that its *reopening will be part of the negotiations* to return to work. On the national level, he insists that the withdrawal of the NCB's closure programme and its replacement with an expansion programme is a prerequisite to a settlement.

They are *certain* of their own militancy. They are, after all, supported by local MPs like Mr Dick Douglas and Dr Gordon Brown, they are given money and supplies by local workforces like the Rosyth dockers. The Scottish press, *traditionally more centrist than the London* newspapers, has been less partisan against them. They are fighting, not for money, but for jobs – jobs for themselves and their sons.

Mr McCalpine thinks that is why the women of the village have become as involved as they have. "In 1972 and 1974 it was about money. Now it's about the whole community – if we fail, it goes – the women understand that."

Faith, pride and militancy. The greatest of these among men like the Oakley strike committee is faith in themselves and their leaders, especially their president.

TALKS will be held this week between the National Coal Board and the National Union of Mineworkers, but miners' leaders said yesterday that they did not expect a quick settlement to the dispute over pit closures.

Attempts by the union to stop production at the British Steel plant at Scunthorpe, Humberside, *suffered a further setback* yesterday when 6,000 tonnes of Polish coal arrived at the steelworks.

Exchange deals to be confirmed electronically

BY ALAN CANE

ELECTRONIC messages between London foreign exchange and currency deposit brokers and the banks confirming deals worth up to $80bn on an average day will soon replace the present manual methods.

Early next year, Britain's Foreign Exchange and Currency Deposit Brokers' Association will launch its automated confirmation service (ACS) with the co-operation of more than 130 London banks, including virtually all major British, European and U.S. banks, and with the blessing of the Bank of England, the central bank.

It will use several technologies pioneered or developed in the UK.

ACS is the result of three years' work by the association to find a replacement for hand-delivered confirmations which, the association says, are "a cause of concern to both bankers and brokers."

They are potentially inaccurate, slow and expose banks and brokers to unnecessary risks.

Confirmation by telex has also proven unsatisfactory. "Neither telex deal-checks nor hand-delivered confirmations allow banks to eliminate the time-consuming process of manual checks by introducing automated reconciliation," the association argues.

ACS is similar to Swift, the banks' world-wide messaging system, and uses codes and message formats in the Swift style. It utilises four very recent electronics techniques:

- Packet Switchstream, British Telecom's new data network which allows fast and cheap transmission of both large annd small volumes of computer data.
- Netmux, an as yet unannounced British Telecom product which allows a number of banks to have access to Packet Switchstream through a special unit in a local telephone exchange for only £750 a year each compared with the usual £1,100.
- Beeline message switch, devised by Computer and Systems Engineering of Watford, which stores the confirmation messages prepared by a broker through the day and despatches them over the Switchstream network to their destination at the most appropriate time
- BT's "Gold" electronic mail service.

ACS was designed by Hoskyns, the UK-based computer services company which is now part of the U.S. Martin Marietta group, at a cost of nearly £200,000.

According to Mr Michael Knowles of broker M.W. Marshall, chairman of FECDBA, brokers might confirm up to 50,000 deals with the banks on an average day. Using ACS, confirmatory messages will either be printed out on the banks own printers, fed directly into their data processing systems or stored in their Gold "mailbox", from where it can be retrieved using a desk to computer.

Case, a fast growing UK data communications company, last week completed its purchase of Rixon of the U.S. for £22.7m. The wholly-owned subsidiary will be called Case-Rixon.

Minet claims former staff misused funds

BY JOHN MOORE, CITY CORRESPONDENT

FUNDS belonging to more than 1,100 members of the Lloyd's insurance market, it has been alleged, were secretly used to finance the purchase and maintenance of yachts, an executive jet, two racehorse syndicates in Kentucky and a variety of other investments by former executives of Minet Holdings.

The allegations are contained in civil proceedings which were started at the end of 1982 by Minet Holdings agency in an effort to recover £38.9m of funds, which Minet had alleged had been misappropriated by the former executives.

Minet has uncovered a complex series of arrangements whereby *money was channelled out of insurance* syndicates managed by a group underwriting agency company, PCW Underwriting Agencies, to more than 150 companies or trusts in at least seven different countries.

PCW has alleged that the money was channelled out of the syndicates in the form of "reinsurance" which allowed former directors of the PCW underwriting agency and an associate company, WMD, to "receive improper personal benefit."

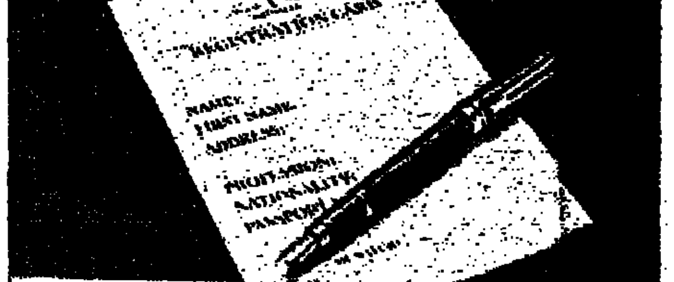
In its allegations PCW has said *that Mr Peter Dixon and Mr Peter* Cameron-Webb, both former PCW executives, owned a Hawker Siddeley HS 125 executive jet, registration number G-Ayer, through a Gibraltar company. The jet was operated through another Gibraltar company and the total running expenses paid out on the jet totalled £244,413. Charter fees totalled £156,314. The operating company was funded by money from the "reinsurance" premiums paid out by the syndicates.

The PCW underwriting agency has alleged that:

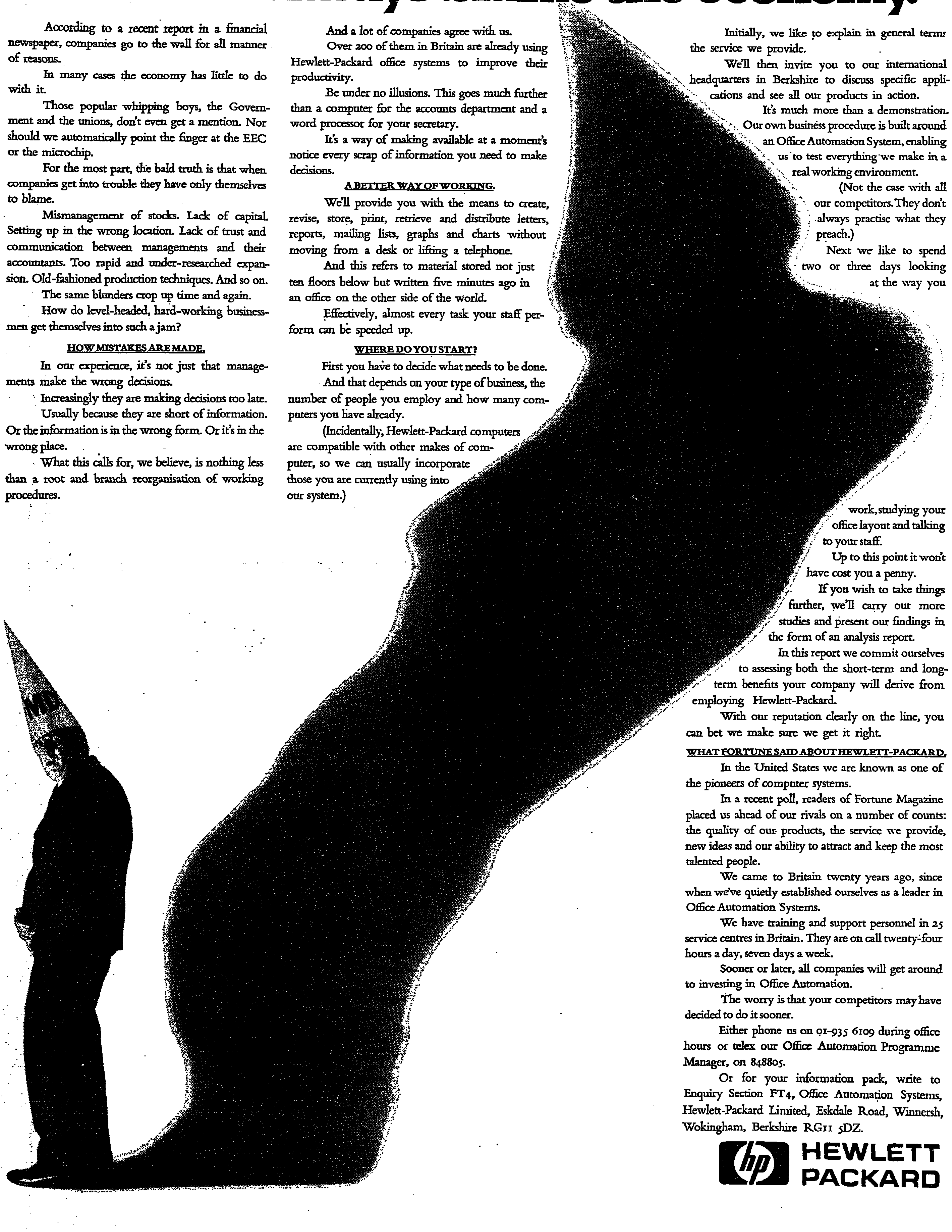
- An investment of $100,000 was made in International Reporting Systems (Iris Washington), the Washington-based private intelligence organisation. The payment was made with a view to consultancy fees being received by Mr Cameron-Webb as a result of work done for Iris. Mr Cameron-Webb was to be the underwriter of the political risk insurance scheme set up by Iris, which failed in 1983.
- Investments totalling $204,000 were made by another former executive at PCW in two racehorse syndicates in Kentucky Six horses were included in the syndicates;
- Mr Dixon used £358,00, PCW alleges, to buy the yacht "Aile Blanche." Total operating costs of £270,387 were funded by Gibraltar companies receiving reinsurance premiums from the syndicates;
- *Another* Gibraltar company maintained two other yachts – the Nerine 1 and N2, which were used by Mr Cameron-Webb. The total net operating costs of the Neine 1 and N2 were £235,760;
- The sum of £1,145 was paid out of a Gibraltar company on behalf of Mr Cameron-Webb in July 1981. This, PCW alleges, related to expenditure incurred by Mr Cameron-Webb on a dinner party given in America.

Numerous loans have also been advanced and repayed to a variety of interests, including a small engineering company. Some £464,00 of funds, it is alleged, were also used to help former executives buy a 40 per cent stake in an associate underwriting agency, WMD.

Over the weekend, Minet and the Richard Beckett Underwriting Agency, the renamed PCW agency company, told underwriting members that they stood to lose £37.9m in the course of their trading at Lloyd's. But they were told that an offer will be made to them which will lead to the payment of £38.9m, which has been allegedly misappropriated. This amount could be used to meet the underwriting losses.



Every month 1,000 companies go bust. You can't always blame the economy.



According to a recent report in a financial newspaper, companies go to the wall for all manner of reasons.

In many cases the economy has little to do with it.

Those popular whipping boys, the Government and the unions, don't even get a mention. Nor should we automatically point the finger at the EEC or the microchip.

For the most part, the bald truth is that when companies get into trouble they have only themselves to blame.

Mismanagement of stocks. Lack of capital. Setting up in the wrong location. Lack of trust and communication between managements and their accountants. Too rapid and under-researched expansion. Old-fashioned production techniques. And so on.

The same blunders crop up time and again.

How do level-headed, hard-working businessmen get themselves into such a jam?

HOW MISTAKES ARE MADE.

In our experience, it's not just that managements make the wrong decisions.

Increasingly they are making decisions too late.

Usually because they are short of information. Or the information is in the wrong form. Or it's in the wrong place.

What this calls for, we believe, is nothing less than a root and branch reorganisation of working procedures.

And a lot of companies agree with us.

Over 200 of them in Britain are already using Hewlett-Packard office systems to improve their productivity.

Be under no illusions. This goes much further than a computer for the accounts department and a word processor for your secretary.

It's a way of making available at a moment's notice every scrap of information you need to make decisions.

A BETTER WAY OF WORKING.

We'll provide you with the means to create, revise, store, print, retrieve and distribute letters, reports, mailing lists, graphs and charts without moving from a desk or lifting a telephone.

And this refers to material stored not just ten floors below but written five minutes ago in an office on the other side of the world.

Effectively, almost every task your staff perform can be speeded up.

WHERE DO YOU START?

First you have to decide what needs to be done.

And that depends on your type of business, the number of people you employ and how many computers you have already.

(Incidentally, Hewlett-Packard computers are compatible with other makes of computer, so we can usually incorporate those you are currently using into our system.)

Initially, we like to explain in general terms the service we provide.

We'll then invite you to our international headquarters in Berkshire to discuss specific applications and see all our products in action.

It's much more than a demonstration. Our own business procedure is built around an Office Automation System, enabling us to test everything we make in a real working environment.

(Not the case with all our competitors. They don't always practise what they preach.)

Next we like to spend two or three days looking at the way you work, studying your office layout and talking to your staff.

Up to this point it won't have cost you a penny.

If you wish to take things further, we'll carry out more studies and present our findings in the form of an analysis report.

In this report we commit ourselves to assessing both the short-term and long-term benefits your company will derive from employing Hewlett-Packard.

With our reputation clearly on the line, you can bet we make sure we get it right.

WHAT FORTUNE SAID ABOUT HEWLETT-PACKARD.

In the United States we are known as one of the pioneers of computer systems.

In a recent poll, readers of Fortune Magazine placed us ahead of our rivals on a number of counts: the quality of our products, the service we provide, new ideas and our ability to attract and keep the most talented people.

We came to Britain twenty years ago, since when we've quietly established ourselves as a leader in Office Automation Systems.

We have training and support personnel in 25 service centres in Britain. They are on call twenty-four hours a day, seven days a week.

Sooner or later, all companies will get around to investing in Office Automation.

The worry is that your competitors may have decided to do it sooner.

Either phone us on 01-935 6109 during office hours or telex our Office Automation Programme Manager, on 848805.

Or for your information pack, write to Enquiry Section FT4, Office Automation Systems, Hewlett-Packard Limited, Eskdale Road, Winnersh, Wokingham, Berkshire RG11 5DZ.

hp HEWLETT PACKARD

Call for new N-plants to be UK-designed

BY DAVID FISHLOCK, SCIENCE EDITOR

BRITAIN'S next nuclear power station should use the UK-designed advance gas-cooled reactor (AGR) regardless of the outcome of the Sizewell public inquiry, one of the country's electricity chiefs will tell the inquiry next month.

Mr Donald Miller, chairman of the South of Scotland Electricity Board, believes that conservation of the AGR technology should be the overriding national priority.

He claims that a new AGR could provide cheaper electricity than the "British" pressurised water reactor (PWR) planned by the Central Electricity Generating Board for Sizewell on the east coast of England.

In a statement on AGR merits requested by Sir Frank Layfield, the Sizewell inspector, Mr Miller and Dr Tony Pexton, the SSEB's director of engineering, say that Britain's first four AGR's are now performing well. Their performance during the last two years puts them among the best reactors internationally.

About 35 per cent of SSEB electricity last year came from nuclear reactors, mostly from its two AGRs. SSEB estimates based on experience with its Hunterston B station and four years of construction of its Torness station suggest that AGRs can be built to a programme "at least as short as any other type of reactor."

Power from a new AGR station could be marginally cheaper than the estimates for the Sizewell B PWR put by the CEGB to the public inquiry, according to the SSEB.

SSEB directors say their estimates are fully supported by CEGB experience with its operating AGRs at Hinkley and with its new AGRs under construction at Heysham.

A report on energy strategy by the House of Lords select committee on the European Communities has urged Britain to continue with the AGR as Europe's "only proved non-water alternative" to the PWR.

The committee found that Europe's heavy dependence on PWRs could prove embarrassing for nuclear power if the system develops a serious fault or suffers an accident.

Dr Ned Franklin, former managing director of the National Nuclear Corporation which builds Britain's reactors, told the British Nuclear Energy Society this month that if a PWR was built at Sizewell the chances of building another AGR station would have weakend "very substantially as skilled teams and manufacturing facilities are dispersed."

Dr Franklin warned that, because of the very small number of new reactors likely to be ordered in Britain for the next decade, a choice must be made "between having a PWR and allowing the AGR option to wither, or not having a PWR."

The SSEB sees the dramatic decline in UK electricity growth as the "absolutely crucial factor" in favour of the AGR. The road which led to the Sizewell inquiry into a British PWR began with a statement by a former CEGB chairman in 1973 that, so great were the problems of building AGRs, the AGR programme was "a disaster which must not be repeated."

The SSEB believes that Sir Frank Layfield is now seeking a second opinion on AGR performance to the one submitted by the CEGB at the start of his inquiry in January, 1983.

The main new factor in AGR performance supporting the SSEB arguments has been experience at Hunterston and Hinkley with on-load refuelling in the past two years, Mr Miller says.

Although this practice was the crucial factor in giving the AGR the edge over its U.S. rivals on paper in the national assessment in 1965, it was forbidden for safety reasons until 1982. Using modifications approved by the nuclear inspectors, the AGRs are now being refuelled at about 30 per cent of power output and are confidently expected to go to much higher power levels.

On-load refuelling increases the output, but its biggest advantage is the extended life of the reactor.

Two advances in AGR fuel, one being introduced now and the other to go into production for the late 1980s, are expected to cut fuel costs by 5 per cent in each case.

Lear Fan plants threatened with shutdown

BY OUR BELFAST CORRESPONDENT

SPECULATION is growing that Lear Fan, the UK Government-backed *aircraft company, will this* week announce the temporary closure of its Northern Ireland factories because of serious delays in the project.

The 380 workers in two plants near Belfast are already on a two-day week because of delays caused by the discovery of structural faults during tests on the carbon fibre aircraft in the U.S.

Two weeks ago, the company announced a new schedule which means that a vital airworthiness *certificate for the aircraft will not* be secured until February 15 next year.

Senior management at Reno, Nevada, are due to announce this week what they plan to do in the *meantime with the Northern Ire*land labour force.

Less than $25m remains from the $90m raised under a re-financing in 1982 when a Saudi Arabian consortium took a majority interest.

The most likely option is thought to be the mothballing of production facilities until the aircraft is ready. This would involve large-scale redundancies because only essential management and engineering functions would be retained.

The British Government has committed £50m since 1980 to help to establish an industry that promises to employ up to 2,800 people.

Move to stop £3bn Co-op merger fails

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

AN ATTEMPT to kill off the proposed £3bn merger of the two largest co-operative groups in Britain was defeated yesterday after an extended secret session of the Co-operative Congress meeting in Blackpool.

Delegates to the congress, the Co-op movement's annual parliament, were critical of the failure to bring about the crucial merger of the Co-operative Wholesale Society (CWS) and the Co-operative Retail Services (CRS), the largest retail Co-op.

The merger was aimed at making the Co-op retail movement a more effective force in the face of tough competition from chains such as Tesco, J. Sainsbury, and Marks & Spencer.

Proposals to merge the CWS, which has a turnover of more than £2bn a year, with the £1bn a year sales of the CRS, were first announced at the congress two years ago.

Yesterday's debate was held in secret session, so that delegates could speak freely about the growing frustration of the 130 retail societies' attempts to restore their flagging fortunes in the fiercely competitive retail world. The resolution to block the merger stated that "much time and effort is being spent on an issue to which there appears to be no solution, at a time when the problems of the movement are still growing."

Supporters of the merger are understood to have argued that bringing the two major groupings together was the best way of unifying the diverse Co-op retail movement. They pointed out that considerable measures had already been taken to merge some strategic and admin*istrative functions of the two orga*nisations.

Delegates' fears over the trading problems of the Co-op retail societies were reflected in another resolution, also debated in secret, calling for an "urgent assessment of the financial stability of the Co-op retail movement over the next two years." A report is to be prepared in time for the congress next year.

The plight of many of the 130 Co-op societies in dealing with the competitive retail environment was also highlighted. More than half of societies reported a trading loss during the past year and had to dig into their financial reserves to survive.

TVR sets up new U.S. sales network

By John Griffiths

TVR, the sports car maker based at Blackpool in north-west England, has set up new distribution arrangements in the U.S., where it expects to sell 300 cars – 60 per cent of production – this year.

The U.S. importing orgnisation, TVR of America, is based in Jacksonville, Florida. Mr David Beasley, former president of Volvo in North America, is chief executive.

The new distribution contract was signed in January after TVR's decision to terminate arrangements with Mr Peter Bircumshaw, a Canadian-based importer, last year.

TVR re-entered the U.S. market last June, having been excluded since the late 1970s by legislative requirements until its latest car, the Tasmin, was developed. However, the import arrangements lasted only four months before TVR terminated the contract. Only 60 cars had been sold.

About 120 cars have already been sold through the new distributors, who have so far set up 10 out of 20 planned U.S. dealerships, all on the East Coast.

The remainder of this year's planned output of 500 cars will be sold mainly in the UK.

Output at the Blackpool plant, which employs 100, is the highest achieved by the company.

Record German exports to UK of quality wine

By Lisa Wood

ONE THIRD of West German wine exports are now to the UK, according to the German Wine Institute.

The institute said that exports to Britain last year of quality German wines, as distinct from wines used in EEC blends, were a record 55.1m litres, compared with 48.4m litres in 1982.

"British wine drinkers are consuming lighter and whiter wines," said a spokeswoman for the institute.

Britons drink four times as much wine as they did 10 years ago and consumption rose more than 12 per cent last year. An estimated 69 per cent of that wine is white, compared with 60 per cent in 1980.

Industry apathetic towards 'mission to communicate'

BY JOHN LLOYD, INDUSTRIAL EDITOR

AN AMBITIOUS attempt to promote better employee communications and involvement in company affairs across most industrial sectors has run up against apathy, delay, indifference and downright hostility – and those responses come from the sectors "reporting progress."

The initiative was launched in 1981 by the National Economic Development Council (NEDC). It followed a council discussion on how communications within companies could be improved and on how the results of the work of the various economic development councils and sector working groups could be made more widely known below senior management and union official level.

Mr John Cassels, the NEDC's director general, in a paper summarising the results for the June meeting of the council, signals that its work in this area has reached its effective limit unless the main representative bodies of industry's two sides – the Confederation of British Industry and the Trades Union Congress – recognise that "the responsibility for advancing this work rests fundamentally" with them.

The NEDC tripartite steering group set up to co-ordinate the initiative works through management and union contacts in companies and is highly dependent on established structures and on personal co-operation.

Where the group believes that communication can be furthered by active intervention, it appoints an "ambassador" to liaise with management and union representatives to encourage them to set up formal machinery for joint discussions on the company and the industry.

The costs of this programme, while still modest, have risen sharply from £49,000 in 1981–82, when five ambassadors covered five industrial sectors, to £144,000 in 1983–84 when 19 ambassadors covered 13 sectors.

The industry by industry analysis from the development councils charts a very mixed reception, at best, to the NEDC's mission to communicate. The picture, with the exception of the clothing, cotton and textiles and footwear industry – where the ambassador concept was pioneered – is one of considerable reluctance to respond to a project obviously seen by many as interfering and time-wasting.

In the successful sectors a good deal of work in formalising communications and in adopting suggestions has been done. In cotton and allied textiles – where an ambassador was appointed as early as 1979 and "factory development councils" established in 30 plants in the same year – savings have been identified where agreed ideas have been introduced, work conditions have been improved and changes made in work patterns.

This appears to be exceptional. More often, attempts to encourage communications met hostility from both sides – as in the sectors for diesels, electronic capital equipment and mechanical handling – or found no formal mechanisms with which to work – as in construction, steelwork, distributive trades, gauge and tools and mining machinery.

Often, unions were weak or non-existent, presenting difficulties for a tripartite approach. Elsewhere, as in food and drink, the NEDC found difficulty in identifying companies willing to support the initiative.

The paper comments that two of the difficulties found in the mechanical handling sector may have general applications. These are:

- "Several managements held the view that a good union was a passive union and saw a potential threat in awakening employees' interests in the company. In a few cases they refused to let the ambassador make contact with union representatives."
- "At several companies, union representatives mentioned their isolation from the union hierarchy."

These problems were all encountered in the 21 sectors where some progress had been made. The paper also lists a further six still "at the planning stage" and 11 where "no significant progress has been made."

The last group includes the building sector – construction is generally resistant to formal or informal communication mechanisms – where the project "got a hostile reception from management with lukewarm support from unions."

UK NEWS

Anthony Moreton examines a Scottish manufacturer's move into U.S. production

Dawson buys growth, not glamour

AT FIRST sight the decision by Dawson International to buy J. E. Morgan Knitting Mills, the leading American manufacturer of thermal underwear, for £30m seems a quixotic move.

Dawson is a conservatively run Scottish manufacturer of some of the finest knitwear in the world, with names such as Pringle, Gladstone, Barrie, Ballantyne, Braemar und McGeorge in its stable.

Morgan Knitting Mills is far removed from the conservative glamour of Pringle and Barrie. It is a one-man band headed by 73 year old Mr John Morgan, and is concerned with thermal underwear, a small range of baby wear und leisure wear. The company was founded in 1945 by Mr Morgan and employs about 1,000 people in a number of factories around Hometown, Pennsylvania.

It is, however, a very strongly based company, with a third of the U.S. market for its products. Its customers include many of the triple A-rated names, led by the U.S. Government and including K-Mart, Sears Roebuck, J. C. Penney and Woolworth. These generated strong cash flow last year, with pretax profits of $9.4m on turnover of $43.4m.

Mr Ronald Miller, chairman of Dawson, says Morgan fits in nicely with the Scottish manufacturer's aims. "It does not provide us with a glamorous product, but the company has a good history of providing rising sales and profits and has a superb one flow plant at Hometown."

"Although the company depends heavily on thermal underwear at the moment, from which it derives 85 per cent of its turnover it also has the capacity to get into the highly profitable and rapidly expanding leisure wear market, where there is real growth."

Since taking over as chairman in 1982 Mr Miller has put a new emphasis on the company's strategy. While staying in textiles, he wants to see the Kinross-based concern develop organically, strengthening its base by selective acquisitions in the major world economies, giving Dawson production bases in countries with sound, growth-based economies.

The first step along this path was taken last year with the acquisition of KSW of Wilhelmshaven for €7m. Although relatively small, KSW has a strong brand name in its portfolio – Hubner Wolle – and is one of the largest spinners of hand-knitting yarn in West German.

America was a legical progression, and Dawson decided to "trawl" through the U.S., looking at more than 300 companies, Morgan Knitting came to its attention in a roundabout way when a New York broker mentioned the company's name to Dawson.

As part of the process of establishing a foothold in the U.S. Dawson had already recruited a top executive, Mr Philip Kemp, who will become chief executive of Morgan Knitting.

The Morgan deal is important because Mr Miller likes the look of America. "This gives us a bridgehead into the States. We want to look at the market much more closely and see where we might go from here. Morgan is a speciality company and so are we, so that is the way we shall go."

Those who want to see Dawson indulge in more takeovers in the U.S. will be disappointed if they expect quick actions. Exercising his native caution, Mr Miller says: "We are now on a learning curve in America. We shall thoroughly digest what we have before deciding to branch out further."

Mr Morgan welcomed the approach from the Scottish group – he had no obvious heir to whom to hand over and was keen to divest himself of active management. As a production man he had built a very sound manufacturing unit but his marketing skills were far less in evidence.

His products lack Pringle's design flair and their general presentation was insipid, unusual in America where marketing is so advanced.

Potential for expanding the market in the U.S. is obvious. Pringle has ample reserves to underwrite such a move since it is cash-rich and has financed the whole of the acquisition on a share exchange and borrowing basis.

But perhaps the real potential in Morgan Knitting lies in its ability to easily enter the leisure-wear market. This is the area of greatest growth in sales of clothes – anoraks, blousons, jackets and separates.

Morgan has installed the most modern machinery, and now has 360 circular knitting machines and a policy, according to Mr Morgan, of "ultimately replacing all its older equipment with more efficient and productive machinery."

Moving into leisure-wear would reduce its dependence on a narrow sales season for thermal underwear, followed by stockpiling the rest of the year.

"We want to be bigger in the U.S.," Mr Miller says, "and the best way to do this is to have a strong base there. Morgan has given us that base and we are very pleased with this move."

Channel 4 to invest in co-productions

BY RAYMOND SNODDY

CHANNEL 4, Britain's newest independent television network, has launched a series of co-financing programme deals with major European television companies. The company is investing up to 30 per cent of the production costs of programmes made in France or Italy in return for similar reciprocal investment in Channel 4 production.

Under the plan, which began earlier this year, Channel 4 is involved in three deals with RAI, the main Italian network, and two productions by Antenne 2, the leading French television channel.

The company envisages rolling three-year investment plans with leading European television channels. The aim, according to Mr Justin Dukes, managing director, is to increase the diversity of quality international material available to the channel by helping to reduce costs.

He said the method would help to avoid bland "mid-Atlantic" co-productions, and hopes to establish similar arrangements with other European television companies.

In the latest ratings surveys, Channel 4 took nearly 7 per cent of the UK audience. It is also looking at the prospects for selling its programmes for cable and satellite television.

Residual oil converted to gas in experiment

BY DAVID FISHLOCK, SCIENCE EDITOR

MORE THAN 160 TONNES of residual oil – the "bottom of the barrel" – has been converted to natural gas successfully in a £9m Anglo-Japanese demonstration of a new British technique for making substitute natural gas, British Gas says.

The demonstration, with experimental equipment in Britain and Japan, has been co-funded by Osaka Gas Company and the EEC, which between them contributed £4m.

The almost solid oil residue from refineries has been gasified in a fluidised bed of coke particles at high temperature and pressure.

British Gas researchers at the Midland Research Station, Solihull, have built a chemical reactor 25 cm in diameter, which they feed with the atomised oil and hydrogen gas.

The bubbling bed of red-hot coke continuously converts the oil to a hydrogen-rich gas which is readily upgraded to the quality of natural gas.

A parallel demonstration near Solihull gives the collaborating companies confidence that the fluidised bed hydrogenator will scale up to commercial sizes.

This is a model reactor, 22m tall and 1.5m in diameter, designed to demonstrate the behaviour of the process in deep fluidised beds without actually converting oil.

Continuous "dry runs" of several days on the model have convinced the two companies that the process could be operated successfully on commercial reactors as big as 3m in diameter.

Osaka Gas has also been running the process on a semi-commercial plant with a reactor 1m in diameter.

THE MANAGEMENT PAGE: Small Business

EDITED BY CHRISTOPHER LORENZ

The small retailer

A hazardous occupation

WHEN John White took over the village shop in Wormelow, Herefordshire, he was told by a personable young salesman that no village store should be without a stock of bootlaces.

"I bought £100 worth," says White, "received a radio alarm clock as a reward from a grateful salesman and waited for trade to pour in.

"At the end of a year the clock no longer worked and I had sold just £10 of bootlaces, leaving another nine years to *get the rest of my money back*."

White, like many others going into business on their own account, had to learn quickly from his mistakes. The average survival time of a village shopkeeper going into business for the first time is around two years.

In the event John White spent four years of hard work and low returns running his store; but at least he survived. He is now retail officer for the Government-funded Council for Small Industries in Rural Areas advising other village shopkeepers how to remain solvent and avoid falling foul of persuasive bootlace salesmen.

"The first thing we tell retiring doctors, lawyers and redundant steelworkers seeking a new life running a village shop is not to do it," says White. "Many will end up losing their money. Few will do little more than just scrape a living."

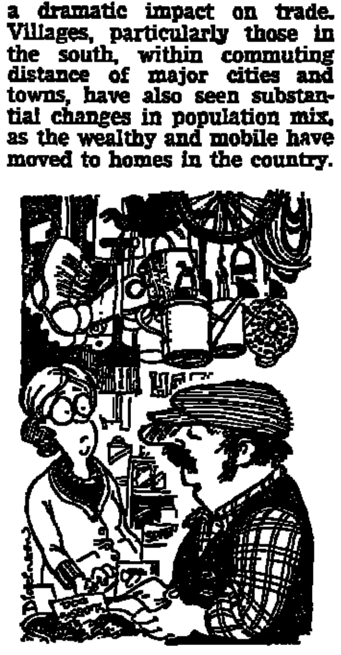
An average village shop might expect to turn over around £60,000 a year, according to White. "On this basis, and allowing for a profit margin of about 16 per cent gross profits might be around £9,600.

"Out of this will have to come rent or mortgage repayments, transport costs, pay for relief staff, rates, heating, lighting, phone bills, plus other charges such as cost of theft or advertising. After all this a shopkeeper will be lucky to achieve net profits of a couple of hundred pounds.

"Cost of local authority rates, electricity and other services are higher because they are connected to a business premises even though a large proportion of the charges may relate to living accommodation above or at the rear of the shop."

CoSIRA estimates that during the next five years at least half of the 12,000 village shops in England will have been forced to close at one time or another—some will never re-open, say the council.

The sharp fall in numbers of agricultural workers has had a dramatic impact on trade. Villages, particularly those in the south, within commuting distance of major cities and towns, have also seen substantial changes in population mix, as the wealthy and mobile have moved to homes in the country.



"Packet of tea, tin of baked beans and have you any of those silicon chips the kids like?"

"The changing pattern of rural life means that village stores must adapt if they are to survive. The emphasis must be on quality and service," says White. "The delicatessen counter is a good way to compete with supermarkets. Products sold here often command better margins than staples which supermarkets, with their bulk-buying capacity, can sell more cheaply."

White, however, advises shopkeepers to research local markets carefully unless they want to end up with products that do little more than keep shelves warm.

Bill Booth, general secretary of the Nottingham-based National Association of Shopkeepers, says: "The problem is that we are asking people to behave like sophisticated retailers when many of them have no previous business experience.

"Maintaining a good cash flow is vital. The classic error is to keep raiding the till until there is nothing left with which to buy new stock."

Tales of disaster are legion. One shopkeeper was so overcome by his first week's takings of £1,000 that he blue the lot installing central heating, forgetting that he had to replace the stock sold. He never recovered.

The idyllic dream of owning a business can start heading towards disaster even before trading starts. "Too many people underestimate the cost of running a small shop," says John Sutton, a former bank manager who is now a business consultant with wide experience of running small shops and finance director of a timber treatment company in Market Harborough, Leicestershire. He is also a member of the national executive of the National Association of Shopkeepers.

"Too many businesses start off under-capitalised. It can take several years of hard work before a shop will do much more than break even. Without sufficient capital behind it a store can quickly fail," says Sutton.

"The cost of buying a business can be expensive. Loans, usually from a bank or finance house, are generally for no more than 10 years and can command interest rates up to 3½ per cent or more above bank base rates.

"A typical loan might also cover only 50 or 60 per cent of purchase price excluding stock," says Sutton.

John White argues that there is much the shopkeepers can do to help himself. Strict financial controls and diligent book-keeping are essential, he says. Shopkeepers can also band together to improve their purchasing power from suppliers.

"But even if they do all of these things some will still find it very difficult to make ends meet, he says. "Another source of income, possibly by acting as a sub-post office, may be essential.

"One village shopkeeper I know started a successful second business curing bacon from local farms which he then sold to other village shopkeepers. If he had not had this second string to his bow he might not have survived.

"The finances of village shopkeeping are such that many of those now starting out will not survive.

"To avoid failure will require a lot of hard work, enterprise, skill and most of all the goodwill of customers who, if they want to keep a shop in their village, must remember to patronise it at times other than when they run out of frozen peas or a bottle of milk."

Andrew Taylor

Rising cost of a guarantee

THE GOVERNMENT's Loan Guarantee Scheme was given a "stay of execution" last week—but small business borrowers under the new revised scheme, which runs from June 1 to December 31, will have to fund higher interest payments and may find the banks more reluctant to lend than before.

There was considerable relief among bankers and lobbyists that the three-year-old experiment is not to be abandoned completely when the present pilot scheme runs out on Thursday, as well as some satisfaction among backbench Tory MPs, who had run a local campaign to prevent Ministers axeing the scheme. Reactions to the changes, however, ranged from mild complaints that the measure had been "watered down" to the more bitter observation that it has now been "emasculated."

David Trippier, the Small Firms Minister, explained that the changes are needed "to reduce the public expenditure cost" (last put at a cumulative £40m) and "to ensure that the potential beneficiaries of the scheme are more closely defined." In future, therefore, the Government will only guarantee 70 per cent of loans made by the participating banks and institutions (up to a maximum of £75,000), compared with 80 per cent previously. And the premium levied by the Department of Trade and Industry to cover losses will go up from 3 per cent per annum to 5 per cent on the reducing balance of the amount guaranteed (thereby placing a cost of 3½ per cent on the loans, in addition to the interest charged by the lender, against 2.4 per cent previously).

What does this mean for a typical small business borrowing £75,000 and repaying the proceeds over seven years (or 28 quarterly instalments). Unfortunately the changes had not been fed into the DTI computer last week but a DTI official obligingly did some quick sums to illustrate the effects.

Under the present arrangements (ie, if a guarantee is approved before May 31) the first quarterly premium payment to the Government is £450, the second £434 and so on as the balance declines making a total of £6,525 over the term. After June 1, the first quarterly premium instalment will go up to £656, the second will be £633 and so on, making a total over the seven year period of about £9,500.

This, of course, comes on top of the interest payments and capital repayments made to the bank. As things stand these are not affected. But it seems likely that, in view of increased proportion of the loan on which they are carrying the risk (30 per cent instead of 20 per cent), the banks will consider increasing their own charges.

National Westminster at the moment is cheapest among the four major high street banks, charging 1½ percentage points over base; Lloyds charges 2 per cent over base, and Midland and Barclays 2½ per cent (the Co-op, however, is the best value at 1½ per cent over base).

Nobody at this stage is sure what the impact of the changes will be. A spokesman for the Committee of London Clearing Banks (CLCB) said lenders would continue to approve applications "only if they considered the business viable,"—but in the short term at least there is bound to be a fall-off in numbers as the banks weigh up their position and implement suggestions from the Government on tightening up their appraisal. Trippier himself estimates that monthly approvals could fall from the current average of 400 a month to perhaps 300 under the new scheme, while potential borrowers put off by the high cost could well opt for one of the banks' own lending schemes in return for pledging some personal security. (This specifically is not required under the LGS.)

Longer term it is still anybody's guess what will happen to the LGS—a final decision should be taken before the end of this year.

Tim Dickson

Growth in popularity of franchising

FRANCHISED businesses in Britain should be viewed primarily as small firms, rather than managed outlets of larger companies.

This is one of the main conclusions of a new study* by Professor John Stanworth of the Polytechnic of Central London which describes the growth of franchising in the UK and relationships in several major companies between franchisor and franchisee.

A franchise relationship can take various forms. Typically, however, it involves an independent businessman (the franchisee) operating under the trade name and business format of a larger organisation (the franchisor) in exchange for a continuing royalty.

Franchising is frequently seen as a recent phenomenon imported from the United States, though as Stanworth points out, 18th century brewers in Britain were almost certainly the real pioneers with their system of "tied" house agreement.

Certainly franchising is much more important economically in the U.S.—accounting for more than 30 per cent of retail sales and 10 per cent of gross national product—but it is gaining ground in Britain.

A survey by the British Franchise Association in 1982 showed that some 4,300 separate businesses had been created by the then 40 BFA members and that their then sales of £400m were expected to reach £500m by the summer of 1983.

Discussing the changes in the industry in the last few years, Stanworth points out that the clearing banks have established a strong foothold and, importantly, "have defined franchised businesses as legitimate small businesses."

The survey detected a marked increase in the number of franchise opportunities that potential franchisees consider, but it also identified "sources of potential conflict that could, on occasions, lead to the setting-up of independent franchisee associations and even legal disputes between franchisor and franchisee.

"Against that, the generally smooth day-to-day nature of franchise relationships emerged as far more typical."

"The generally high level of educational qualifications obtained by franchisee and the frequent reliance for their attainment on part-time study came through strongly."

* *A study of power relationships and their consequences in franchise organisations. A report to the Economic and Social Research Council. ESRC Project No. HR 7310.*

T. D.

In brief...

BUSINESS in the Community (BIC) and the Confederation of British Industry Special Programmes Unit (SPU)—two organisations which have been discussing marriage for the past year or so—duly announced their engagement last week. Both have encouraged British companies to give financial and practical help to the communities in which they operate (much of it involving small business support) but in view of the potential overlap and apparent confusion in some quarters it was thought best to join forces.

The new unit, which will be formally launched in October, will retain the name *Business in the Community* and will have its headquarters at the BIC offices (227A City Road, London EC1: Tel 01-253 3716). Stephen O'Brien, former chairman of moneybrokers Charles Fulton and chief executive of BIC, will be chief executive of the enlarged entity, while Lord Carr, at present chairman of the SPU, will be the first chairman.

●

LLOYDS BANK has created a Small Business Unit. It is to be headed by Don Good, formerly assistant chief manager of Lloyds Leasing.

The unit, which will include franchising, will spearhead the bank's promotional and service activities and technical expertise in the small business field and will have special responsibility for the Loan Guarantee Scheme and Lloyds' new Technology Appraisal Scheme.

Good succeeds John Kirkwood, Lloyds' previous small and medium business finance adviser and one of the most tireless and enthusiastic campaigners for a better understanding by all banks of the small businessman's requirements.

The Small Business Unit will be located within Lloyds' Business Advisory Service—a team of specialist managers trained in various aspects of financial management who visit small firms to provide an in-depth assessment of a company's past performance, present situation and future plans.

●

THE Government's Statutory Sick Pay Scheme, which makes employers responsible for the first eight weeks of sick pay on behalf of the state and involves keeping detailed administrative records, is proving a headache for the small business, says the National Federation of Self-employed and Small Businesses.

Citing figures given in a recent Commons written answer, Dr Bernard Juby, the federation's national chairman, points out that "nearly one in four businesses employing fewer than six people has either underpaid or overpaid in recent months. In percentage terms cases checked and found either underpaying or overpaying have risen from 14 per cent last June to a high of 23 per cent this March."

Juby added that the Government's own research suggests larger firms are also "confused" by the scheme, which has now been running for over a year. He made it clear that the federation will continue to campaign "that smaller employers should be exempt from this scheme."

●

IS IT worthwhile investing in an expensive numerically-controlled machine tool which will involve considerable changes in the organisation?

According to Professor John Sizer and Jim Finnie of Loughborough University, decisions are often ill founded and the indirect benefits of introducing NC machines on working capital requirements and other outlays tend to be ignored.

The two academics have thus developed a DIY manual entitled "Simplichange: evaluating the installation of NC machine tools," which they claim will be useful both to production directors or managers "and the financial managers of smaller manufacturing businesses which do not have well developed systems for appraising capital expenditure on new equipment."

It is published by the Institute of Cost and Management Accountants (ICMA) in association with the Machine Tool Industries Research Association and is available, price £12.50, from ICMA's Publications Manager, 63 Portland Place, London W1N 4AB.

●

LAST Tuesday's article on the new approved share option scheme appeared the same day as Parliament was discussing the relevant provisions of the Finance Bill in Standing Committee. John Moore, the Financial Secretary to the Treasury, announced that an amendment would be introduced at the Report stage permitting options to be exercised after three years, instead of five.

T.D.

Cinematic refuge from the rain

Nigel Andrews completes his report from a damp Cannes

Harry Dean Stanton in "Paris, Texas"

Rain concentrates the mind wonderfully at Cannes, drowning all cries of "Once more unto the beach, dear friends" and any attempt to play truant from the latest Godard, Taviani or Gogoberidze. It was Penelope Houston, irrepressible editor of Sight and Sound, who spoke the fateful words three days into the festival. It had been cold and gusty so far, she pointed out, "but at least it hasn't rained". No sooner said than the Heavens opened and remained *open for the rest of* the festival.

Films of vast length — 2½ hours of Wim Wender's *Paris, Texas*, 3¾ hours of Sergio Leone's *Once Upon A Time In America* — promptly became seductive rather than forbidding, offering an asylum from treacherous umbrellas, trench foot and incipient pneumonia. Perhaps this advantage also helped gain Wender's movie the Golden Palm for Best Film, although *Paris, Texas* is good enough to have won the top prize at any festival in any country in any recent year.

Wenders, always the least showy of the New German Cinema *wunderkinder*, now looks to be the one with the most staying power. In this dazzlingly imaginative film, Harry Dean Stanton plays the battered human vulture found wandering the Texas desert, mute and amnesiac, at the film's opening: whereupon Wenders and scriptwriter Sam Shepard do a tale unfold of mystery, quest, passion, conundrum and buried tragedy, as Stanton's past is slowly disinterred, first by his brother (Dean Stockwell) and sister-in-law (Aurore Clement), scraping away the topsoil, and then by Stanton himself, his young son and his long-lost wife (Nastassja Kinski) who converge to effect the final exhumation.

Inspired by Shephard's "Motel Chronicles," the film has a trajectory that is quite magical; from discord to harmony, loneliness to communion, wounded silence to confessional loquacity. As in all Wenders's best work, there are rich layers of allegorical subtlety here — human evolution and space travel the last scenes take place in Houston) are rhymed with the conquest of emotional frontiers — and both in its size and its ability to fill that size with meaning and beauty, *Paris, Texas* is one of the great films of recent years.

Once Upon a Time in America goes all out for mythic grandeur but achieves lumbering giantism instead. Leone used to make high-style Spaghetti Westerns (*A Fistful of Dollars*, etc) but this is more like a bagel B-movie, vastly blown-up, being the 220-minute history of a Jewish mobster (Robert De Niro) during and after Prohibition, and his life of struggle, greed, betrayal, tragedy.

Comparisons with *Godfather 2* are not invited, but they gatecrash the movie anyway, and a sourly elegiac nostalgia as it twangs along from childhood to adulthood to old age, kraps up the vast cast (James Woods, Tuesday Weld, Elizabeth McGovern) in an epic poem of love and death. Despite the ambitious framework, the characters remain obstinately thin-weave, and the Marxist message about Capitalism — equals corruption (also present but far more cleverly poeticised in Leone's *Once Upon a Time in the West*) has all the *subtlety of a blunt hammer and* rusty sickle.

Also sprawling into long-windedness in the Cannes rain, as if re-hydrated like a Vesta meal, were Marta Meszaros's *Intimate Diary*, two and three-quarter hours of historical self-flagellation from Hungary, and Satyajit Ray's *The Home and the World*, a 140-minute serenade — sometimes soggy, sometimes inspired to India's past.

Meszaros shuttles "Julie," a sullenly rebellious teenage orphan, between assorted relatives in post-war Hungary, crafting a parable of her country's own pass-the-parcel fate as a plaything of dictatorship. The story has gravity and *well-grained characterisation*; but like most of today's political agony movies from Hungary it stops dead in the mid-1950s, as if all Communist bloc troubles had ended with Stalin's death.

Ray's film adapts a triangular love story by Tagore, set during the British partition of Bengal in 1905. The movie begins at a stupefyingly slow pace—snores blossomed around me and I myself blinked hard to retain consciousness — but patience is rewarded. The second half, with its credible passions and exquisitely coloured night scenes, from subaqueous greens to dark lemon yellows to icy blues, is as bewitching as anything Ray has done.

It was refreshing, none the less, to have Jerzy Skolimowski's *Success Is The Best Revenge* jumping into Cannes at the festival's mid-point to show that firecracker energy and zany ellipses can also work to create a serious film. Michael York, Anouk Aimee and Michael Lyndon (Skolimowski's son, who also co-scripted) are the human pawns in this game of crazy chess about a Polish stage producer (York) living in England and his multiple wars with authority, bureaucracy, Western culture, and his own son (Lyndon), who ends by punking up his hair in red spikes and flying to Poland. There are times when the whole loony edifice, which resembles a Godard movie edited by Spike Milligan, collapses in a heap. But Skolimowski, being a film-maker who denies any knowledge of the laws of gravity, can re-erect it as quickly as it falls down.

Britain also excelled with *Cal*, Pat O'Connor's darkly hypnotic fable of the Irish troubles, built around a Montague-Capulet romance between a Catholic boy (John Lynch) and the young widow (Helen Mirren) of a murdered Protestant soldier. Shuttling between glum comedy ("They're playing our tune" says the boy to Mirren as a police siren wails by) and the *fierce throb of a collective pain* for which there is no foreseeable panacea, *Cal* is the most moving and convincing portrait of life in Northern Ireland the cinema has yet given us.

Elsewhere, the Cannes Competition had as many ups and downs as a San Francisco trolley ride. Ups included Lino Brocka's *Bayan Ko*, a simple but sulphurous little melodrama about industrial strife from the Philippines, and *The Bounty*, Roger Donaldson's film of Robert Bolt's revisionist script about Messrs Bligh and Christian and company. The spectacle here is fair-to-middling, but the treatment of Bligh as a mariner more maligned than malignant is well-argued and brilliantly acted by Antony Hopkins.

The Competition's downs included Vincent Ward's *Vigil* from New Zealand, building a mystifying myth of maturation and menstruation around a tomboyish young girl (Fiona Kay) amid majestic mountain scenery, and Jacques Doillon's *La Pirate* from France, in which Jane Birkin, Maruschka Detmers (Godard's Carmen) and Philippe Leotard perform a batty bisexual fandango amid dialogue that has the authentic ring of mental derangement. "I didn't come to kiss you but to smash my teeth against yours!" cries Birkin to Detmers at one point, introducing a whole new concept in dental breakdown

Outside the Competition, the most rewarding sideshow at Cannes has been that featuring films about film-makers. In *The Way To Bresson*, that monkish veteran of French cinema stays firmly out of the limelight while his documentary portraitists Jurrien Rood and Leo de Boer harness their runaway theories to clips from his old films; at least until the closing moments when Bresson himself appears, stooped, tousle-haired, and enchanting, and grants a brief interview from his monkish cell in the Carlton.

Nelly Kaplan's *Abel Gance and his Napoleon* yields yare and yeoman footage of Gance filming his masterpiece back in the 1920s and inventing more exotic things to do with the camera — mounting it on pulleys, strapping it to a horse — than are dreamt of in Bresson's austere philosophy.

And best of all there was Andrei Tarkovsky in Donatella Baglio's *A Poet of the Cinema*, where the Russian maestro wanders by a purling Italian stream answering questions from the unseen interviewees. When quizzed on his complex films — which are generously glimpsed in excerpt—Tarkovsky offers no glib precis or unscrambling but some fascinating sidelong insights. And on larger questions his answers range from the colourfully *tangential to the gunshot*-direct. "What is love?" asks the unseen Signorina Baglio. "A catastrophe" is Tarkovsky's simple reply. At which the French audience, experts on the subject of course, burst into thunderous applause.

Architecture

Colin Amery

John Betjeman remembered

Walking along Piccadilly in the rain on my way to look at the Architecture Room at the Royal Academy's Summer Exhibition my mind was full of memories of John Betjeman. That day they were burying him by the empty sands of Trebetherick. Is it too late to thank him for opening our eyes to the architecture of England, for making us see the emotional power of the past and, more clearly, the wounds we are so often inflicting in the present? I remember clearly an early meeting with him when he was trying to prevent the Rector of the glorious Arts and Crafts church, Holy Trinity, Sloane Street, from selling the entire establishment to America. It was that mixture of incredulity and enthusiasm that inspired others to action: Holy Trinity was saved.

John Betjeman would have understood the annual folly of the Royal Academy's Summer Show and sympathetically observed its Englishness.

This year architecture is more prominently placed just beyond the central hall. The position has its drawbacks. The gallery you visit immediately before plunging into architecture is very difficult to take seriously. Where else in the world would you find several pictures of cats having their *dinner, dressing up or contemplating parrots*? Where else would you find in one room pictures of Morris Dancers, black clergymen, carefully observed railway engines, and robed judges hanging next to girls in provocative underwear? It certainly puts you in a good mood for the architecture room—in fact on the afternoon I was there the room was full of people roaring with laughter.

John Betjeman would have understood it all and he helps us to see England still as a land where modern architects play at their peril, it takes so little to damage the sensitivities of our towns and countryside.

The architecture room is always hard to take seriously—it is such a strange cross section of the profession. This year many of the drawings look exactly like the nine foot long panorama at the back of Betjeman's *Ghastly Good Taste* that his old friend Peter Fleetwood-Hesketh updated for the second edition a few years ago. Will architects never learn?

How John would have laughed at the entry of the President of the Royal Institute of British Architects this year —a totally windowless shed with a flat roof crowned by a glass pyramid full of rubber plants. It is No 1152 in the catalogue and is rather ominously called *Airport Reception Building*. The joke is it could be almost anything from a factory to a funeral home and that is what made Betjeman write, "the sad thing for architects is that their work has been taken over by civil engineers and the manufacturers of prefabricated units. I do not know what future beyond theorising there is for an architect today." But he did not give up hope, asking architects with humility to come between us and the "human ant-hill to which we may be reduced."

Why we loved John Betjeman *and will for ever honour his* memory is because he knew that architects have a choice—they can become PR men and engineers and dehumanise our lives, or they can carefully, very carefully, learn from the best of the past and enhance our days. John Betjeman had humour and love; *he was against prejudice and* time will show that he was a prophet—as he wrote;

> "Architecture can only be made alive again by a new order and another Christendom. I repeat that I do not know what form that Christendom will take, for I am not an economist. It is unlikely that it will be capitalism. Whatever it is this generation will not see it."

Architecture has lost one of its greatest friends.

Two Juliets/Covent Garden

Clement Crisp

Is Kenneth MacMillan's Juliet a girl awakening to the *discovery of love or of sexual* awareness? The question was posed in no uncertain terms at the end of last week when Alessandra Ferri appeared for the second time as Juliet and Ravenna Tucker made her debut in the role. Both young dancers are gifted; both argue their cases cogently; both offer radically differing views of the ballet's motivation, even of its dance impulse. Miss Ferri, from the moment she stepped on stage as Mary Vetsera last season, was recognisably a "MacMillan dancer" by the sexual pungency of her playing, by her intensity as an actress and her frankness in acknowledging the emotional *extravagance of the role. Her* Manon, her Micol in *Valley of Shadows*, her Marie in *Different Drummer*, have reaffirmed the passionate identity of her dancing which MacMillan's choreography explores.

Her Juliet, from a first boisterous appearance, is a girl of determined character whose access *of mature feeling and* sexual awareness is beautiful in the balcony scene, and explicitly passionate in the bedroom duet. This passion carries through to everything that follows: to the battle with her family, to her rejection and acceptance of Paris, and to the taking of the potion—scenes played with an edge of hysteria and a rhapsodic extravaganza that speak of temperament ablaze but almost out *of control. It is a high-key*, somewhat unrelenting interpretation to which Wayne Eagling, as Romeo, responded with equal ardour, though the other supporting principals looked a mannered and stuffy crew.

From Ravenna Tucker on the following evening, a Juliet of exquisite dancing and emotional *discretion. Not by any means* inexpressive, it was a reading pure in tone, perceptive, aristocratic in utterance, which grew in stature as the ballet progressed. Miss Tucker has a lovely, fresh way with the dance, her limbs opening joyously and in ravishing lines to the choreography. In the balcony scene, in the first scene of the third act, her movements sang in almost Soviet fashion: this was in every way a more classic, more Kirovian approach to the role than Miss Ferri's, but no less potent.

Juliet was shown with a toucing sincerity in terms of a girl's rapturous discovery of love. If sexual passion had its excitements, far more so did an effusion of feeling for Romeo as the object of a first ecstatic recognition of affinity.

It is not for me, or for anyone, to place these interpretations in any order of merit; but with what pleasure can we anticipate the fuller maturity of both artists.

Donohoe and Janowski

Max Loppert

This country doesn't very often produce virtuoso pianists *like Peter Donohoe; a pity the* fact of his existence and of the current regularity of his London appearances, isn't yet celebrated by audiences of the appropriate size. Friday's Festival Hall concert by the Royal Liverpool Philharmonic—the first here under the new RLPO chief, Marek Janowski—offered Mr Donohoe the kind of challenge he relishes: two Rakhmaninov works in a single programme.

The feat of playing the Fourth Concerto and the Paganini Rhapsody is, obviously, an athletic one (and at the close of the latter Mr Donohoe gave the impression of being ready instantly to dispense a third Rakhamninov torrent, should the need or chance arise). Yet though there was much brilliant, high-mettled piano playing on display, it was never simply a collection of mindless piano acrobatics. The pianist quite clearly believes in the worth and the individual distinction of both works, even the slightly out-of-kilter concerto, with its exhilarating but never *fully worked-out combination* of disturbance and high spirits.

Mr Donohoe is a splendid and quite original Rakhmaninov player — it's an enticement to think of the many more occasions we should be given to measure the full extent of that originality. His partnership with conductor and orchestra is already firmly forged, as the strength and freedom of their exchanges attested. The performances of the third Leonore Overture at the beginning and of Hindemith's Weber Variations at the end were rather more uneven; though Mr Janowski indicated, particularly towards the close of the Beethoven overture, some of the qualities admired on recent Janowski recordings, the actual sonority and *inter-departmental balance* of the playing was often rough.

★

The latest in the Wigmore Hall's enjoyable Sunday morning Coffee Concerts was given by Vovka Ashkenazy, son of Vladimir. In an all-Chopin hour —a selection of popular pieces completed by the Third Sonata —*the young Ashkenazy came* across as a finely schooled, technically very well-equipped player whose physical and interpretative powers are at the moment notably out of phase. For though such famously difficult tests as the streams of floated trills in the Barcarolle were passed with expert address, there was little feeling of imaginative resources in any of the performances, except in passages where challenges to dexterity were strongest. Perhaps Mr Ashkenazy should at this stage be facing up to *Islamey* and other virtuoso showpieces; in Chopin, the feeling of "brightest student in the conservatoire" was hard to dismiss.

Obituary/Eric Morecambe

Eric Morecambe, who died yesterday aged 58, was the outstanding comedian of the post-War television era. With his partner Ernie Wise (of the short fat hairy legs) he brought the era of pre-War vaudeville, into the nation's drawing rooms.

As a double act, Morecambe and Wise were worthy successors to Laurel and Hardy and Abbott and Costello. Although in the first place Ernie was the comic and Eric the stooge, the roles were eventually and subtly reversed, with Ernie emerging as the comic who is not actually funny and Eric as the straight man who undoubtedly is.

Unlike other great comics of our day—Ken Dodd, Frankie Howerd, Max Wall—Morecambe and Wise were improved by television and alert to its potential. The way Eric played to the camera rather than *to* the studio audience became an art form in itself. He would turn from the hapless Ernie with an expression of naughty disdain and fix the lens with a withering "have-you-ever-heard-anything-so-ridiculous" look before swivelling gracefully round on his prey, slapping him on the sides of his arms with open hands and clapping him lightly, finally, on the cheeks.

Morecambe and Wise made their West End debut in 1943 on the same bill *(Strike a New Note)* as Sid Field. Their real popularity was first achieved in the 1960s, a decade of frantic activity on TV, in summer shows and pantomime, on film and in America on the Ed Sullivan show. In 1968 Eric suffered his first heart attack.

Their scripts were written in this period by Sid Green and Dick Hills, a cunningly perfected format of sketches played sometimes in bed (never a whiff of homosexuality), in historical costume, to camera, in front of a curtain. Eric's use of this curtain to upstage Ernie was a constant source of invention and delight. They also developed their skipping exit, which Tynan described as a "sort of camp hornpipe".

From 1969 their scripts were written by Eddie Braben, a Liverpudlian who retained their distinctive Northern-ness (Eric, born Eric Bartholomew, was from Morecambe, Ernie from Leeds) while extending their imaginative range and developing Eric's overbearing stooge persona.

Both comedians were awarded the OBE in 1976. For millions of Britons, the Christmas festivities without a show from Morecambe and Wise will be not quite so festive. Eric Morecambe, who had open heart surgery after a second attack several years ago, is survived by a wife and three children, one of whom, Gary, wrote a book about his father called *Funny Man*. Like his own favourite comic who died recently, Tommy Cooper, Eric was an accomplished technician and, above all, a deeply and quintessentially funny man.

M.C.

Futurum Ensemble/Purcell Room

Andrew Clements

The Futurum Ensemble hails from the State Academy of Music in Stockholm; roughly the *size* of our *Lontano*, it is a mixture of young professional musicians and advanced students dedicated to contemporary music. As part of a week-long visit to London and Brighton which includes concerts, lectures and workshops, the group stopped off at the Purcell Room on Friday for a programme sponsored by the Society for the Promotion of New Music that juxtaposed 20th-century Swedish music with two recent scores by *younger British composers.*

Neither of the domestic products was new but both merited a second hearing. Gary Carpenter's *Da Capo* is effectively put together, expertly scored but ultimately unmemorable, save for a near Messiaen quote which could well be fortuitous. Michael Finnissy's *Jisei* was written in 1981 and proved to be a lucid, well-proportioned piece for cello and ensemble which builds to a brief, fierce *climax after many slithering* quarter tones and much jockeying for expressive position. Both pieces were superbly dispatched by the Scandinavians.

The survey of their own music that they offered was wide-ranging though not very systematic. A number of strands of development were suggested, from the sub fusc romanticism of Gunnar de Frumerie's settings or Lagerkvist's *Aftonland*, through Karl-Birger Blomdahl's *Dance Suite no 2*, written in 1951 and synthesising a heterogeneous set of European influences, to Bo Nilsson's *Zwanzig Gruppen* — classic (1958) Darmstadt fodder—and finally the first performance of the 30-year-old Jan Sandström's *Anima*, a rather too static exploitation of flute multiphonics with gentle ensemble support.

Arts Guide

May 25–31

Music

LONDON

Paco Pena and friends: Flamenco. Barbican Hall (Mon) (638 8891).

Royal Philharmonic Orchestra conducted by Yehudi Menuhin, violin with Alberto Lysy, violin. Bach, Schumann and Vaughan Williams. Royal Festival Hall (Tue) (928 3191).

London Symphony Orchestra and Band of the Honourable Artillery Company conducted by Alun Francis with Antony Peebles, piano. Tchaikovsky. Barbican Hall (Tue).

Philadelphia Orchestra conducted by Riccardo Muti. Bartok, de Falla and Schubert. Royal Festival Hall (Wed).

London Mozart Players conducted by Tamas Vasary with Cecile Ousset, piano. Haydn, Beethoven, Dvorak and Mozart. Queen Elizabeth Hall (Wed). (928 3191).

London Sinfonietta and BBC Singers conducted by Simon Rattle with Cynthia Buchan, mezzo-soprano and Willard White, bass. Harrison Birtwistle, Stravinsky and Tippett. Queen Elizabeth Hall (Thur).

Ronnie Scott's, Frith Street: Pianist Monty Alexander and trio. Ends June 2. (439 0747).

PARIS

Orchestre Colonne conducted by Antoni Ros-Marba, Michael Rudy, piano: Brahms (Mon), TMP-Chatelet (233 4444).

José Carreras recital, Martin Katz, piano: Bellini, Massenet, Turina, de Falla (Mon). Théâtre de l'Athénée (742 6727).

Orchestre National de France conducted by Seiji Ozawa, Anne-Sophie Mutter, violin: Ravel, Debussy (Mon). Théâtre des Champs Elysées (723 4777).

Emile Naoumoff, piano: Bach, Debussy, Brahms, Naoumoff (Mon). Salle Gaveau (563 2030).

Catherine Collard, piano, Orchestre Symphonique du Conservatoire National de St-Maur: Beethoven, Brahms (Mon). Cité Universitaire, 21 Bd Jourdan (589 3869).

Maurizio Pollini recital: Chopin, Schumann (Tue). Théâtre des Champs Elysées (723 4777).

Oliver Gardon, piano: Schubert, Brahms, Debussy, Dutilleux (Tue). Salle Gaveau (563 2030).

Homage to Anton Dolin (Wed) Théâtre des Champs Elysées (723 4777).

Arocea: Festival choir 1984 (Wed) Salle Pleyel (561 0630).

WEST GERMANY

Berlin, Philharmonie: The Berlin Philharmonic Orchestra under Myung-Whun Chung with violinist Wolfgang Schneiderhan, Beethoven and Prokofiev. (Wed, Thur).

NEW YORK

New York Philharmonic (Avery Fisher Hall): Hans Werner Henze conducting, Emanuel Ax, piano. Henze: Tristan (U.S. premiere); Krzysztof Penderecki conducting. Penderecki (Thur). Lincoln Center (874 2424).

Alice Tully Hall: Golub Kaplan Carr Trio. Walter Trampler viola guest artist. Beethoven, Shostakovich, Brahms (Tue). Lincoln Center (362 1911).

CHICAGO

Chicago Symphony (Orchestra Hall): Klaus Tennstedt conducting. Mozart, Bruckner (Thur). (435 8122).

ITALY

Bologna: Palazzo dei Congressi (Sala Europa): Alexis Weissenberg, piano. Chopin (Mon) (503 331).

Rome: Auditorio di Via Della Conciliazione: Rachmaninov, Dvorak conducted by Yuri Ahronovitch. Pianist: Lye de Barberiis. (Mon and Tue) (65.41.044).

BRUSSELS

BBC Symphony Orchestra conducted by Paavo Berglund with Felicity Palmer, mezzo-soprano. Elgar, Mahler, Tchaikovsky. Kortrijk (Mon).

VIENNA

Vienna Philharmonic Orchestra conducted by Carlo Maria Giulini. Bruckner. Musikverein (Tue) (65 81 90).

The London Philharmonia: Vladimir Ashkenazi, conductor and soloist. Beethoven and Mozart (Wed); Christina Ortiz, piano. Ravel and Dvorak (Thur). Musikverein. (65 81 90).

ZURICH

Tonhalle: Tonhalle Orchestra and Saengerverein Harmonie conducted by Hans Erismann. Mendelssohn (Mon); Jeffrey Swann piano recital. Haydn, Chopin, Debussy and Liszt (Tue). (47 16 00).

Opera and Ballet

LONDON

Royal Opera, Covent Garden: L'elisir d'amore is the only opera at Covent Garden this week; the latest Donizetti revival marks the final public appearances of Sir Geraint Evans, and includes in the cast Sona Ghazarian, Luis Lima, and Ingvar Wixell, with Gabriele Bellini (London debut) conducting. (240 1066).

Royal Opera House, Covent Garden: Royal Ballet offers a triple bill.

Coliseum: London Festival Ballet has a quadruple bill. (836 3161).

PARIS

Boris Godunov alternates with a new production of Gluck's Iphigenie en Tauride conducted by Gerd Albrecht, with Shirley Verrett in the title role and Thomas Allen as Oreste. Paris Opera (742 5750).

Group Emile Dubois with Jean-Claude Galotta's post modern choreography in Ulysses is followed by the Gulbenkian Ballet, influenced by Martha Graham and Merce Cunningham, at the Théâtre de la Ville. (274 2217).

WEST GERMANY

Berlin, Deutsche Oper: La Bohème stars Raina Kabaivanska and Alberto Cupido. Don Giovanni, sung in Italian, features Csilla Zentai and Alejandro Ramirez. Orpheus in der Unterwelt has Astrid Varnay, Janis Martin and Donald Grobe. It is *produced by Götz Friedrich.* (34 381).

Hamburg, Staatsoper: This year's ballet festival from May 25 to 31 concentrates on the 'symphonic dance'. Premiering is a John Neumeier production to Mahler's 6th symphony. A further performance is Endstation Sehnsucht (A Streetcar Named Desire) choreographed by John Neumeier after Tennessee Williams' play with the Stuttgart ballet. Soloists are Marcia Haydee and Richard Cragun. Also shown is Neumeier's production of Wendungen, to music by Schubert and to Mahler's 4th symphony. Also Hommage à George Balanchine including his vier Temperamente, choreographed by John Neumeier. A Nijinsky gala again by Neumeier, danced to music by Bach, closes the week. (351 151).

Frankfurt, Opera: Parsifal has Wagner specialist Walter Raffeiner in the title role. Richard Strauss' rarely-played Capriccio has fine interpretations by Helena Doese and Anny Schlemm. Fidelio has Anja Silja as Leonore. Die lustige Witwe is a well-done repertoire performance. (25 671).

Stuttgart, Württembergisches Staatstheater: The week starts with Ariadne auf Naxos, followed by Hans Werner Henze's Die Englische Katze; Idomeneo, a Harry Kupfer production, and Der Troubadour. (20 321).

Munich, Bayerische Staatsoper: A new production of Honegger's Johanna auf dem Scheiterhaufen, produced by August Everding has Cornelia Wulkopf, Astrid Varnay and Norberth Orth in the main parts. Orpheus and Eurydike brings *together Cornelia Wulkopf, Julie Kaufmann and Pamela Coburn.* This week's highlight is the Magic Flute with Kurt Moll and Zdzislava Donat. (21 851).

NEW YORK

New York City Ballet (New York State Theater): 37 repertory works, including 24 by George Balanchine and 10 by Jerome Robbins, comprise the *spring season, featuring this week A* Schubertiad and Le Tombeau de Couperin. Ends June 24. Lincoln Center. (870 5570)

American Ballet Theatre (Metropolitan Opera House): Ends June 16.

The New Moon (Light Opera of Manhattan): Sigmund Homberg's tale of French Louisiana in the 17th Century includes the songs Wanting You and Lover Come Back To Me. Ends May 27. 334 E 74th. (861 2268).

BRUSSELS

Idomeneo conducted by John Pritchard with Stuart Burrows and Christian Eda-Pierre. Théâtre Royale de la Monnaie.

VIENNA

Staatsoper: Lorin Maazel conducts Carmen; Hager conducts the Magic Flute. (5324/2655).

Ballet evening with music by Alban Berg: Three Orchestral Pieces (choreography by Forsythe), Lyrical Suite (choreography by Jochen Ulrich) and Violin Concerto (choreography by Jiri Kylian). Vienna String Quartet conducted by Lorin Maazel. *Staatsoper on Monday.*

Beethoven/Wigmore Hall

Andrew Clements

The last of the series under the title "Late Beethoven—Both Ends of the Spectrum," presented in the Wigmore Hall by the London Society of Chamber Music brought together the performers who have sustained all four of the programmes—the pianist Bernard Roberts, flautist Susan Milan and the Delmé String Quartet.

The thread connecting the concerts has been a curious one — the 16 tiny sets of variations on national airs for flute and piano which were published as Beethoven's Opp. 105 and 107. They are hardly well known, even among the fluting fraternity, which is generally desperate for worthwhile 19th-century pieces, particularly by first-rank composers. But before there is a rush to procure a copy of the variations on the principal that the merest trifles from the year (1818) of the Hammerklavier Sonata must have something going for it, it should be reported that what small interest there is to be found in them lies exclusively in the piano parts; the flute always supports (sometimes only supplying a pedal note!) and is never allowed the luxury of bravura writing.

On Wednesday Miss Milan played the last four numbers of Op 107—on one Rusian and three Scottish themes—doing what she could with the limited opportunities. Mr Roberts was heard to better advantage in the bagatelles of Op. 126, presented in a manner that laid bare their bones, devoid of sentimentality and sumptuous tone, as exquisitely detailed etchings rather than richly coloured miniatures. His unwillingness to dwell ruffled the poise of the third and fifth; the presto parentheses of the last were finely judged.

The Delmé's contribution was no less than the C sharp minor quartet Op. 131. Theirs was a view of the work that appeared to draw all its inspiration from the opening fugue; only in the finale did the players suggest anything like a full-blooded quartet sound. The etiolated effect of the second movement was unnecessarily feeble; the central Andante variations were never granted a full, singing tone. With highly precise playing such a low-key approach might have been revealing, but too many smudged lines marred the scherzo, and the best playing was reserved for the closing pages.

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Tuesday May 29 1984

Mitterrand's initiative

PRESIDENT Mitterrand's initiative in calling for a new impetus in the integration of Western Europe deserves warm support from every responsible government. For over a decade, the European Community has been deadlocked by national obstinacy in defence of vested interests, without in practice satisfying those interests. The time has come to make a new effort.

There are three main reasons for the Community's stagnation. The first was the legacy of General de Gaulle, who fatally undermined the original assumption that the member states were engaged in a common enterprise of equals. The second was the stagflationary impact of the two oil shocks, which provoked nationalistic reflexes in many member governments. The third has been the interminable quarrel over Britain's excess contributions to the Community budget.

With the passage of time, de Gaulle's legacy has waned: the French are less arrogant about their special position in the world. The nationalist reaction to the oil crises has given way to the realisation that Europe faces common problems from the hi-tech industries of Japan and the U.S. and from Washington's management of the U.S. economy. With reasonable luck and goodwill, the British budget problem should be disposed of for good at the forthcoming European summit at Fontainebleau.

If so, the decks will have been cleared for the member states to give serious consideration to a relaunch of the Community process.

Endorsement

Some of the ingredients in President Mitterrand's speech to the European Parliament last week may seem more plausible than others. The idea of closer European security and defence co-operation, partly through a revival of the Western European Union treaty institutions, is already gaining momentum in a number of capitals; even Sir Geoffrey Howe, the British Foreign Secretary, has now given it a relatively warm endorsement.

At another level, a forward impetus has already been given to European collaboration in a number of high-technology projects, and more could be done where the European dimension is appropriate.

By contrast, it seems slightly eccentric, at this stage in the Community's development, to argue for European integration in such fields as education, health or justice. There may well be a case for more co-operation in industrial training, or between national health authorities. But it is not obvious that the attempt to create full-blooded education or health policies for the Community would, in the foreseeable future, bring advantages which outweighed the costs.

But President Mitterrand's speech need not and should not be read as a final blueprint, to be accepted or rejected as a package. And it is almost certainly a mistake to take his reference to a "two-speed" Europe as an attempt to blackmail or exclude governments which do not endorse his propositions: a two-speed Europe already exists in the European Monetary System, and it will become more visible if WEU starts to function effectively.

Nor is there any case for over-dramatising President Mitterrand's arguments in favour of more majority voting in the Council of Ministers. He has not recanted on the Gaullist proposition that member governments should retain the right of veto in very important issues; he just says, and rightly, that recourse to national vetos has been gravely abused.

The force of his initiative lies not in any of the specifics, but in the cumulative proposition that, in their own self-interest, the European countries can and must work much more closely together, and that such co-operation is possible in many ways and many different fields.

Presumably, the other member states will start to formulate their responses to President Mitterrand's call in time for the summit in a month's time. Some, like Germany, Italy and the Benelux countries, can be expected to be enthusiastic; some others may be sceptical of, or hostile to, anything that smacks of closer political integration in Europe. The most valuable service that can be performed by those governments that want more European co-operation rather than less, is to make clear that they are not to be held back by the minimalists and the foot-draggers.

Tax rules for overseas profits

THE vigorous public debate that has greeted the Budget's centre-piece—the reform of corporation tax—has tended to drown continuing worries about other, more technical proposals that could in the long run have an important effect on companies. The section of the Finance Bill concerned with "controlled foreign companies (CFC)" is a case in point.

The Inland Revenue takes the line that the CFC legislation is not even controversial: it is old hat because there has been a lengthy consultation lasting three years. However, the consultation process has left most experts outside government unhappy about both the detail and spirit of the proposed new law. Ministers, too, are thought still to have doubts.

Critics of the new legislation include the main accountancy bodies, bankers, the Institute for Taxation and the Confederation of British Industry, not to mention most of Britain's blue-chip companies. These bodies hold no special brief for the few sharp operators the new law is designed to snare. So why does the CFC legislation generate so much heat?

First, because it has such a broad sweep: every British company controlling an overseas subsidiary potentially falls foul of it.

At one stage it looked as though the Inland Revenue would lessen the burden by issuing a statutory list of non-havens — "normal" countries like West Germany and the U.S. Companies that trade only in these non-havens (the vast majority) could then ignore the new rules. However, after the Budget, the Inland Revenue made a small but devastating change in its draft list of non-havens. It added the seemingly harmless proviso that if it thought companies were using the countries to avoid tax, they could after all fall under the CFC legislation. The list is in effect worthless since companies anywhere abroad doing legitimate business must now worry lest the Revenue disagrees.

The second big worry is that the CFC rules introduce, through the back door, the first step towards an American approach to the taxation of companies' worldwide earnings. Until now, the British tax authority's jurisdiction has stopped at Britain's shores. But when the Finance Bill reaches Royal Assent, it will have potential access to the earnings of British companies' subsidiaries overseas if their tax bill is less than half what it would be in the UK. Companies with lightly-taxed overseas subsidiaries are guilty of tax avoidance unless they can prove their innocence by meeting one of three complex escape clauses.

While the spiriting of profits out of Britain may be wrong, it is less clear that overseas profits, even if they are not earned through what the Inland Revenue regards as a bona fide trade (and so fail its first escape clause) should be potential game for the British Exchequer. While there is a second escape route called the "motive test," companies argue it gives the authorities too much leeway. Motives are a matter for debate and one "wrongly - motivated" transaction by one subsidiary can land a multinational in the soup.

Questions

The third escape route, the so-called "acceptable distribution" policy, is also questioned: if a company fails the above tests and a suspect subsidiary distributes at least half its profits back to Britain, it can escape the CFC levy. But why should it distribute back to Britain rather than to some other country where the multinational has an interest?

MPs still have time to ask two questions. Will the new CFC legislation raise enough revenue to justify its compliance and collection costs? The Revenue has yet to produce a convincing cost-benefit analysis. Second, could not a set of rules more narrowly focused on the few genuine offenders be devised?

Given all the worries, it might be best to delay the CFC legislation for another year. Britain has managed well without it for as long as companies have traded abroad. The suspicion in some quarters is that the Inland Revenue is really seeking a substitute for the sort of powers it enjoyed in the bad old days of exchange controls. Ministers should be prepared to grant tax officials specific powers to counter specific abuses. The need for blanket new powers is unproven.

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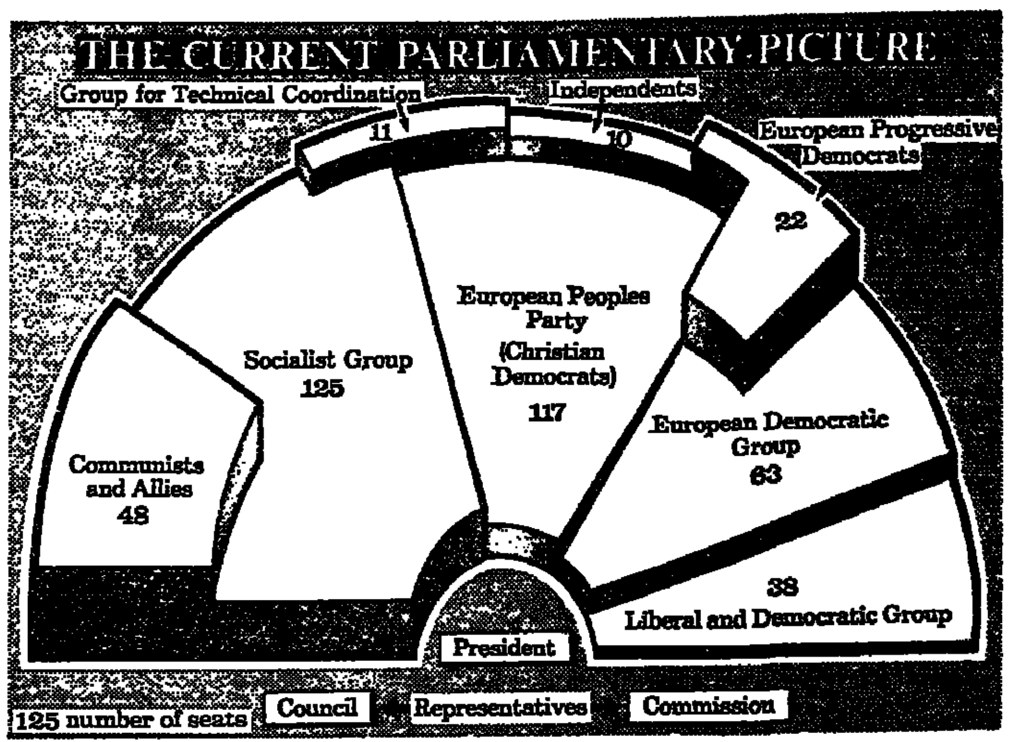
84 EUROPEAN ELECTION

Europe goes to the polls in three weeks' time to elect a new Community Parliament. But just how important is the institution?



Graham Lever

Real progress, despite all the cynicism

By John Wyles, Common Market Correspondent

"THE European Parliament is undoubtedly a much more important body than it was five years ago . . . but I am not at all sure I can tell you why," a senior EEC official said last week, shouting to make himself heard above the end-of-term merriment in the members' bar of parliament in Strasbourg.

If those closely involved in European Community politics find the parliament difficult to assess, what on earth are the 210m potential voters to make of it? Opinion polls suggest that the first directly-elected parliament has not branded itself deepily into the public consciousness. The most recent Community-wide soundings showed that little more than 40 per cent of respondents thought the coming elections were an event of much importance.

Irrespective of whether the parliament is an irrelevance or an essential vehicle for the Community's political development, the campaign is already demonstrating one tangible result of direct elections: on television and radio, in newspapers and on the streets, issues and problems are being discussed in more than a merely national context.

Although the Community has no responsibility for defence, candidates in France, West Germany and the UK can be heard arguing the case for closer security co-operation in Europe. Socialists in all countries are campaigning for more effective industrial and employment policies at Community level and pledging renewed efforts to advance workers' rights. To their right, the various Conservative, Christian Democrat and Liberal parties are arguing for closer economic co-operation, the removal of barriers to trade and measures to stimulate investment and enterprise.

Unfortunately, many voters will take all this Eurotalk with a pinch of cynicism. The Community they are used to hearing and reading about is associated with political deadlock and budget rows, with plant closures and job losses in steel, shipbuilding and textiles and apparently lacking an effective response to recession and unemployment. Above all, they will be asking what the European Parliament can do to change matters and why they should bother to vote at all on June 14 (in the UK, Ireland, the Netherlands and Denmark) and June 17 (in the rest).

The council has become more respectful

The questions will trouble many candidates across the Ten. In the 1979 campaign it was possible to urge the electorate to bring about the democratic transformation of an institution which could serve every political prejudice. If you wanted more political and economic integration, then a directly-elected parliament was to be its motive force. If you preferred the status quo, then you were bidden to send representatives to Strasbourg who would spike the federalist guns. In any case, you needed elected members in the new parliament capable of defending your interests as workers, businessmen, consumers and citizens.

Five years on, the waters are muddier and there is a record to be examined. On the whole it is a respectable but—to the regret of many candidates—rather unexciting one. Pieter Dankert, the Dutch socialist who has been the parliament's president for the past two and a half years, summed it up rather neatly last week. People should come out and vote, he said, because the parliament fills a "democratic gap."

National parliaments, with the possible exception of the Danish, are wholly inadequate when it comes to scrutinising and controlling what governments do in the community. The EEC is now a formidably active legislator and without the parliament, Dankert implied, citizens' rights would be poorly protected.

It follows from this that much of the parliament's most important work is largely unremarked. It has no legislative powers to speak of, but it is required to scrutinise all of the European Commission's proposals. It can make amendments but neither the commission nor the Council of Ministers need take any notice.

In fact, the commission has taken increasing account of the Parliament's views and the council, composed after all of elected politicians with party links to MEPs, has become more respectful. The commission, headed by Gaston Thorn, has come to see the Parliament as a useful ally in arguing for its proposals with the council and a potentially dangerous enemy because of the Parliament's power—so far unused— to dismiss the 14 commissioners.

Most of the 64 United Kingdom MEPs who are standing again can recite successes in securing beneficial changes to proposed legislation. Joyce Quin, contesting Tyne and Wear for Labour, mentions amendments to fisheries proposals of benefit to fishermen in the North-East of England.

David Curry, defending Essex North-East for the Conservatives, has taken the food processing industry under his wing, while Britain's "Mr Agriculture," Sir Henry Plumb, the Tory group leader, has exploited the perhaps too-wide open door which the farming interest has in Brussels.

Yet a representational role can be frustrating and politically unrewarding if it deals only with the immense technicalities that characterise EEC legislation and lacks real power to change things. Frustration led the Parliament into an early search for identity and public recognition through an extension of its concerns far beyond those implied by the Treaty of Rome. Security first figured on its debating agenda in 1980, human rights violations in a dozen countries have been examined and condemned and, controversially, the Northern Ireland situation investigated.

The Rev Ian Paisley and John Hume are among many MEPs who have effectively used the parliament as a platform for concentrating international attention on specific domestic political issues, while dozens have launched personal campaigns of one kind or another. Stanley Johnson, the Tory member for Wight and Hampshire East who is not standing again, scored a spectacular success by mobilising the parliament behind a ban on imported baby seal skins, which eventually became Community policy.

Sir Henry Plumb (left), Britain's "Mr Agriculture", and Mme Simone Veil, leading the Gaullists and Giscardiens

The other remarkable personal achievement of the parliament was Altiero Spinelli's success in pushing through a draft treaty on European union. The Italian communist's initiative was in many respects the clearest expression of the parliament's dissatisfaction with its present powers.

The chances of it being adopted by governments are remote, despite President Mitterrand saying last week that France shared the spirit of the initiative. But the provisions of the draft treaty do serve to highlight the parliament's case for powers to initiate policy proposals and for a greater measure of influence over the council.

Where it already has such influence — through shared powers in setting the budget— the parliament has not always acted consistently. Its rejection of the 1980 budget in support of a demand for a better balance between agricultural and other spending set a theme that has been tenaciously pursued. But equally tenacious support for extravagant farm price rises undermined the credibility of the parliament's stance. Also, its pressure on governments to reform the budget and to provide increased budget revenues has been a significant political factor both serving and complicating the cause of a permanent reduction in Britain's contributions.

Whether the parliament's effectiveness would be enhanced by locating it in one place—preferably Brussels—has been interminably argued by MEPs. It appears to have succeeded in taking its plenary sessions away from Luxembourg, but its secretariat is still there. Week after week people and documents move in ant-like procession to Brussels (for committee meetings) and to Stasbourg (for plenary sessions) and then back to Luxembourg.

The failure to conduct these elections according to a common electoral system is the fault of governments reluctant to change their existing systems and not the parliament. Proportional representation is the norm in continental Europe although it takes several different guises. Only in the UK will the number of seats won by the parties be seriously disproportionate to the pattern of votes cast.

Will the results matter? In the last parliament the centre-right groups, including the British Tories, have wielded a consistent majority. The result has been to soften demands for expensive new social policy initiatives, to blunt the potential impact of the Vredeling proposal on worker consultation and to ensure that human rights violations in East Europe are condemned as well as those in Chile and South Africa.

Undoubtedly, the first thing most politicians will be reading into the election results is their implications for the standing of each of the ten governments. In France Mme Simone Veil is leading a joint list of Giscardians and Gaullists with half an eye on the 1988 presidential elections. In Britain the results should measure the extent of Labour's recovery under Neil Kinnock and the continuing importance of the Liberal-SDP Alliance.

In West Germany the governing coalition will be weakened if the Free Democratic party fails to clear the 5 per cent hurdle and loses all representation in Strasbourg. In Italy the Socialists will be looking for an increased share of the vote and endorsement of Bettino Craxi's tenure of premiership. In Greece, Prime Minister Andreas Papandreou may be tempted to call a general election in the autumn if the swing away from his Socialist Party is only a modest one, while the Danish Socialists will be looking for a recovery after last year's national elections. In the Netherlands, meanwhile, the row over cruise-missile deployment is bound to have an impact on the fortunes of the Christian Democrat-Liberal coalition.

The nation state remains the source of primary interest

To be sure, the domestic political stakes riding on these elections will generate most of the effort put into them and the public attention they receive. The nation state remains, therefore, the source of primary interest and concern.

Nevertheless, it is both intriguing and impressive that the by-product should be a parliament of 10 different nationalities considerably dedicated to melding those interests into a common cause.

Men and Matters

Nuclear auction —cash down

Electricity people from many parts of the world are being invited to a most unusual sale. A semi-completed, pressurised water reactor nuclear power station in the U.S. is to go under the hammer.

So keen is Jersey Central Power and Light to rid itself of its Forked River project in New Jersey, some 65 miles south of New York, that the auctioneers are promising "everything sells regardless of price"—provided that you pay on the day of the sale.

The site was prepared and foundations installed and assembly of the reactor itself and generators was just starting when the company did a recount and concluded that power demand in future years would not justify running the station.

The sale will include the components for a pressure vessel to contain the nuclear reactor, stainless steel internals and a giant 1,180 megawatt Brown Boveri turbo generator. There are even assorted computers to run the machinery and everything is said to be carefully wrapped and in an "as new" condition.

"Watch television! What do you think we've been doing at school during the teacher's strikes?

It could be the ultimate construction kit for the man who has everything.

It reminds me that British Steel still has all the bits needed to put together a leviathan blast furnace. They were bought in the 1970s just before the corporation started cutting back iron and steel production to match lower market forecasts and have been stored ever since on a site in the north-east of England.

Brown jogs in

Michael Brown, next president and chief executive of the International Thomson Organisation after Gordon Brunton retires at the end of the year, was one of the bright young men the late Lord Thomson of Fleet gathered about him in London in the early 1960s.

"The trouble is," says one of his colleagues, "that after more than 20 years with the company he shows up the rest of us by still looking as young and as bright as ever."

That may be because Brown, now aged 49 and living in Greenwich, Connecticut, where he is head of the Thomson U.S. subsidiary, keeps in trim by jogging. Otherwise, I am told, his hobby is work.

He has spent much of his time is recent years on aeroplanes running Thomson's 60 U.S. operating companies in publishing, oil and gas and travel.

Brunton will be a hard man to follow. Retiring at 63 he has been with the Thomson organisation for 25 years and for the past 16 years has been chief executive. Lord Thomson, the present chairman, paid tribute to him yesterday for his work in the development of the group's magazine, travel and oil interests and, recently, the rapid expansion by Thomson in the information and publishing business in North America.

Brown left a job in engineering to join Lord Thomson in Britain and became a director of Times Newspapers while still in his twenties. He moved on to become finance director of the Thomson Group. He played an important part in the Thomson move into North Sea oil and by the early 1970s was the first chief executive of the Thomson oil group.

He has been an executive vice-president of the International Thomson Organisation since 1978.

A few survive

The rules of the Tercentenarians' Club are guaranteed to keep its reputation as one of the most exclusive business clubs in the world.

Not that there is anything complicated about them. Indeed, they are devastatingly simple. To qualify firms must be able to show a connection with the families of their founders for 300 years or more.

Founded 16 years ago the club has just held its annual lunch at Chartwell, Kent, the former home of Sir Winston Churchill, with a local company acting as hosts.

The proud boast of R. Durtnell and Sons of Brasted, Kent, is that they have been builders since 1591. One member of the family, Lieut-Col C. S. Durtnell, traced the story in a book From an Acorn to an Oak Tree—although these days they just as likely to be working with tower cranes and concrete.

Other members of the club at Chartwell, were C. Hoare, the London bankers, Firmin and Sons, the Birmingham engineers, and two textiles makers, James Kenyon, now a division of Albany International, of Bury, Lancashire, and Early's of Witney.

The exclusive nature of the club breeds its own perils, of course. Can it survive the present age of takeovers, mergers and management buy-outs?

Very occasionally members are delighted to hear of an aspiring new member—another company that has stayed the 300-year course. A guest this year was Jean Hugel whose family has been making wine in Alsace since 1639. He has duly been enrolled as an honorary member.

Jumbo row

I hear from the Canadian High Commission that there is no love lost between Brigitte Bardot and Canadian customs officers.

"They are pains in the neck," says the French actress who is angry over their intervention in her latest gesture to save the baby seals.

Bardot sent a valuable bracelet to be auctioned by a Quebec animal welfare group at a fund-raising affair. The trouble is that it is an ivory bracelet. Customs officials are demanding a declaration from France that she has a permit to export ivory.

Minister Pierre Bussieres, defending the honour of the revenue department explains that the international rules are quite clear. Ivory exports and imports are banned because the elephant is an endangered species, he says.

Bardot says she wants the bracelet back.

No luck

In a manner of speaking Hong Kong's future was up for sale at the weekend. And there were not many takers.

A local education worker, Ng Po-Keung, paid HK$21,000 for the privilege of owning car number plate HK 1997 in the latest of a series of regular government auctions of car registration numbers.

Compare the price with the HK$1.03m paid last year by Hong Kong millionaire Cheng Kung Sze for the lucky number 3. Clearly bidders at the auction did not feel that 1997 — the year when the territory's lease runs out — is going to take them very far.

Ng Po-Keung says he bought the number for fun. He does not have a car.

Observer

Liverpool's housing crisis

Where the run-down and the renovated rub shoulders

Nick Garnett reports on the cash problems facing the city without a budget

A PLUME of smoke billows from the exhaust stack of a dumper truck trundling along the waterfront at Liverpool's huge defunct Albert Dock.

Above, a gang of men toils on the spiderwork of scaffolding, restoring the historic structure into flats, offices, a wine bar and restaurant, a sign of the Government's special initiatives on Merseyside.

The 120 apartments are likely to be offered for between £40,000 to £75,000 when they come on to the market in two years. In the city with no budget, there appears to be no shortage of takers.

Half a mile away, in Luke Street, Mrs Irene Thorpe, a pensioner, stares stoically from the balcony of her drab flat in a five-storey high-density tenement, one of half-a-dozen similar blocks making up Sussex Gardens. They were built 50 years ago, as housing for the poorer working class.

Sussex Gardens is due for demolition in four years. It demonstrates the striking contrast between the urban regeneration, which has brought the blossoms of the International Garden Festival, and the cancer within Liverpool's housing stock. Both are trademarks of economic stress.

In a year when the Post Office has issued special stamps marking urban renewal, such pockets of inner city regeneration go hand-in-hand with persistent reminders of the failure to supply adequate housing, not just in Liverpool, but in many of Britain's older cities.

In Liverpool, council housing and its cost is one of the biggest single elements in the city's budgetary crisis, and in the clash between the Militant Tendency-influenced controlling Labour group and the government.

The contrast between urban regeneration and the cancer within the housing stock

Council and government officers are now poring over the council's books to see if extra money can be used to find a way out of the budgetary impasse.

The Government has pumped £280m into Liverpool over the last three years in special assistance—the urban aid programme, Merseyside Development Corporation, grant aid and cash help for the Port of Liverpool. It is probably more than for any other area.

The council's capital allocation for housing stands at £38.5m, and has been cut by £20m in real terms over the last four years, and, as in every other city, the Government now contributes just 10 per cent of the cost of the council's housing revenue budget when it once provided 40 per cent.

Almost 200,000 people out of Liverpool's population of 450,000 live in council dwellings. Some 23,000 of the 70,000 council properties need major expenditure, 9,000 people are on the council waiting list and 10,000 are seeeking transfers.

Council house rents average £17 a week, possibly the highest outside Greater London.

"The capital allocation nowhere near meets need," says one senior housing officer. "Maintenance is underfunded and revenue expenditure is just plainly inadequate."

In Sussex Gardens, the block's internal stairs, permeated by a slightly nauseous sweet smell, look like those of a correction centre. Pockets of rubbish, including shoes and a pair of trousers, have been trampled into the ground near the entrances and left, possibly for weeks — a mark of the apathy towards cleanliness and the environment which is prevalent in some parts of the city. Mrs Thorpe talks through a chink in the door: "My son says I must never let in strangers." The landscape is marginally cheered by bright coloured bedding hanging drying from rods. A short walk up the hill and the empty ground marks the site of the Rialto, burned down during the 1981 riots.

Hugh Routledge

Down comes the Texteth Rialto after the 1981 riots.

Mr Patrick Jenkin, the Environment Secretary, will be taking another look at housing conditions in Liverpool on a tour of the city next week. Standards of accommodation are one of two problems which confront the council and which would face commissioners if the Government is forced to bring them in to run the city.

The other is the way Liverpool's housing Direct Labour Organisation is run. The DLO, which employs 2,000 in repairing and building, faces problems including inefficient organisation, widely scorned bonus payments which differentiate between maintenance and construction labour, frequently bitter inter-union friction and a lack of management direction.

DLO needs 28 per cent extra manning to cover absenteeism, sickness and holidays. Mr Ken Stewart, a joiner by trade and chairman of the city's housing committee says theft of materials and equipment has cost £500,000 in the past two years.

Many of these difficulties are rooted in a decade of hung councils. They might also have something to do with the traditional productivity problems on Merseyside—particularly acute in Liverpool's grossly inefficient refuse disposal service—and the influence of Communist shop stewards.

There have also been complaints for many years about the standard of DLO workmanship. The labour group, seeking to find work for the DLO based on its contentious policy of no job cuts, dipped further into the revenue budget last year by putting virtually the whole maintenance labour force to work replacing bathrooms on the Dovecot Estate, which was built in the 1930s. The prefabricated bathrooms, added in the 1970s were disintegrating, but using maintenance-trained labour for building work led to big delays and quality problems. It also slowed down to a trickle maintenance work on other council dwellings.

On the other hand, Labour says it is committed to improving efficiency, reducing administrative overheads and ending bonus anomalies. It has also instituted a strategy of 17 high priority areas in the public sector and 100 improvement areas in the private sector, and has started 700 new council houses in the last year.

Poverty and apathy frequently combine to produce litter and vandalism, heaping self-inflicted wounds on an already sick body. Some outsiders complain that Liverpool has not done enough to help itself and has too much of the begging-bowl mentality. "People with get up and go have got up and gone," is an occasionally expressed though unfair comment.

Liverpool is not the only British city with huge housing difficulties. Glasgow has 11,000 private houses with no bath or shower, 41,000 pre-war council dwellings that need rewiring and the 18,000 complaints about damp last year were 5,000 up on the year before.

That council says it needs £77m just to keep its council dwellings habitable and water tight, but its capital allocation is £48m.

In Manchester, a magnificent £16m conference centre is being hewn out of the city's derelict central station, while the council considers whether to abandon 800 flats and maisonettes because of structural problems in the vast post-war Hulme development. The new National Museum of Photography has brought extra life to the centre of Bradford in West Yorkshire, but great swathes of dereliction have eaten into the Asian ghettoes of Manningham and Leeds Road. In the south, Hackney in east London is Britain's most deprived ward

It is easy to forget the chronic immediate post-war housing conditions of many older conurbations. Down by the docks in Liverpool, some terraced streets were just 15 feet wide, allowing almost no light into the houses. Lavatories were communal latrines at the bottom of the road.

Things have improved, though people living in some deprived and distressed areas might be forgiven for not acknowledging that. Liverpool's current housing quandaries reflect the three classic troubles of obsolescence, bad design and poor construction.

These manifest themselves in unwanted three and four-bedroom maisonettes situated five storeys up 16-storey blocks. The 1930s policy of class-based building — poorer tenement housing in the centre with attractive cottage-style council housing in the garden suburbs — is still with the city. So are the construction failures, including system building with its ventilation and damp problems.

Shaw Street in Everton is by no means one of the worst, but it provides snapshots of a range of Liverpool's housing problems. At the top end is a terrace of dilapidated but protected Georgian housing. Across the road, Radcliffe Gardens, built in the 1960s on the model of a Cornish fishing village, lies partly vandalised. Pedestrianisation created enclosed alleyways through which people walk with trepidation.

Further down, three massive tower blocks known as "The Piggeries" stand empty, the subject of legal action between the council and the company to which the blocks were leased. The Piggeries will have to be demolished.

Too much money has been wasted, the Government says

The Government is anxious to see local authorities operate more efficiently, and it now requires the Direct Works department to compete with the private sector on all but small construction projects. It encourages councils to put up rents and rates to cover the financial gaps. Too much money has been wasted, it says. Liverpool's Labour group says it will not raise rents, cut jobs or put up the rates by a large amount and complains that costing structures put the Direct Labour Organisation at a gross disadvantage when competing with private builders. It asked for £114m capital allocation instead of the £38.5m it received. Meanwhile the Liverpool budgetary crisis rumbles on.

Lombard

A case for more disclosure

By David Lascelles

EVERYONE knows the size of the developing countries' debt problem: anything up to $700bn, according to the new IMF figures. But all talk of the threat this poses to the banking system is not particularly helpful without a parallel estimate of the ability of the banks to withstand it. What is needed is some way of putting the debt crisis into a context shaped not so much by fear as by a measure of the banks' strength. Aside from creating a better picture, it might help the current debate over the need for grand, long-term solutions to the crisis.

Many people have tried to do this by expressing the size of the debt as a multiple of a bank's capital: "If Brazil went bust it would wipe out XYZ bank two times over, etc." But this is a crude measure that assumes an Armageddon, which looks unlikely even now, and overlooks the fact that banks have made certain provisions against loss, and written loans down.

These provisions may or may not be adequate—the argument about that will go on so long as the debt crisis does — but at least they represent the extent to which the banks are braced to absorb losses. If some way could be found to collect information about these provisions at the major lending banks in the biggest industrialised countries, aggregate them, and release them into the public domain, the results could be highly instructive, to put it mildly.

The practicalities of such a scheme are fairly straightforward. Bank supervisors in the major lending countries already have all this information through the reports that banks file with them (many of them now even tell banks what provisions they should make). All it would take is for some highly-regarded impartial body, like the Bank of International Settlements, to collate and publish them, as it already does for international bank lending. Aggregation would ensure anonymity not just for individual banks but for lending countries as a whole, though it would be useful to see how provisions varied between, say, the U.S., the UK and German banks.

We should then know that banks had made total specific provisions of $Xm against Brazil, $Ym against Mexico, $Zm against Argentina, and so on. The general provisions that banks make against unforeseen losses could be published as a separate total.

These totals would be subtracted from the BIS lending totals to give a net figure of what the banks are "in for" if any of these countries default. The indication would, of course, be very rough and would overlook the fact that some banks are much more precariously placed than others. But the point of the exercise would not be to pinpoint vulnerable banks as get an idea of the size of the problem.

Of course, there are objections to the scheme. Banks hate disclosing their provisions for fear of hurting public confidence and undermining their negotiating position with troubled borrowers. It would open the door to invidious comparisons, and would be most firmly resisted by the U.S. banks who not only have the largest exposures but also the smallest provisions.

On the other hand, if bankers are reluctant to reveal their own secrets, they like nothing more than learning their competitors'. The totals would allow individual banks to see how their provisions rank against the average, which might be useful given the very subjective judgments that provisioning demands of them.

The greatest danger in the scheme is that it could backfire by disclosing just how poorly provisioned banks are against developing countries' loss (it could show the exact opposite, of course, which would be comforting but unlikely). But rather like the long-running debate about hidden reserves, experience shows that fuller disclosure usually does more good than harm, and that it is healthy for the case for banking secrecy to be tested from time to time. In this instance, it can even be argued that the tax-paying public has a right to know because it has already been called on to beef up the IMF's resources, and might well be asked to stump up more to ease a crisis for which the banks bear at least some of the responsibility.

Letters to the Editor

Reorganising the Stock Exchange

From Mr D. Hunter

Sir, — Is it too late to place the responsibility for the reorganisation of the Stock Exchange on the Government, whose predecessors' legislation precipitated the call for revolutionary change? The Governor's newly appointed advisory committee is a small but welcome step in the right direction.

The legal profession was honoured by a Royal Commission which considered its activities: it was not left to the Law Society. As a result of these deliberations, some changes are taking place and they are doing so in the knowledge that they have been discussed and thought through by practitioners and end-users after wide debate. Parliament, too, has participated. Lloyd's scarcely set an enviable example of DIY.

If the Stock Exchange is thought to be unworthy of a Royal Commission, it is surely worthy of a Governor's commission. Such a body using the Bank of England's authority would have a much greater chance of establishing the complete revolution which is understood to be required. The new advisory committee should be strengthened and promoted to this role.

The Stock Exchange is already split into various interest groups whose first concern is naturally self-preservation and not the public interest. Allegiance to the previous system ceases with its compulsory extinction.

The Stock Exchange has always been one of the successful components of the City of London despite exchange control regulations which hobbled it until 1979. It should be allowed to remain an important part of the nation's financial structure.

The Stock Exchange council does not and cannot have the authority to impose these changes on the investment and financial community. Indeed, its suggestion that it will need statutory support to enforce its new rules, gives this point further emphasis.

Therefore, this vital responsibility should fall on those appointed by the Governor or the Government to produce the improved system. Only then will the changes be accorded the respect which will be required if they are to create a thriving market, which London needs to remain a world financial centre.

In the U.S. the Government felt it necessary to supervise a far less radical change than that envisaged here.

D. H. Hunter.
2, Manresa Road, SW3.

Intellectual property rights

From Mr J. Adams

Sir,—I would like to draw attention to some of the proposals contained in the Green Paper on intellectual property rights an innovation which should give rise to serious concern. No one would disagree with the objects of the paper, which are, to improve the system of intellectual property in order to encourage innovation, and to help in particular small enterprising firms. Unfortunately the proposals if acted upon are not only unlikely to achieve that object, but are quite likely to make the situation worse than it is at present, and to result in British inventions being exploited abroad with impunity.

The authors of the report wish to help small companies operating only in the domestic market by introducing a cheap alternative to the patent system. At present such a system exists (for products as opposed to processes) in the form of copyright protection for three dimensional objects realised from drawings. This protection attaches without registration of any kind and is therefore from the company's point of view costless. In place of this, the report proposes a "petty patent" system in which applications can be registered without examination. The idea is, no doubt, that companies will draft their own claims and specifications (they can do this at present if they wish, but it needs expert knowledge). Such petty patents would enjoy the benefit of priority registrations in other countries under the Paris convention. Consequently if the invention turned out to be unexpectedly valuable it would be possible within the priority time to file abroad. The problem is that the foreign filings depend upon the British application. If the claim has been ill-drafted the patents are likely to be worthless, and the invention will be freely exploitable by others. This is really the nub of the problem.

Claim drafting is a difficult and extremely technical subject. It requires both a knowledge of the technology involved and knowledge of the law. Claims mark out the boundary fence of the patentee's rights. The art is to push out that fence as far as possible without invalidating the patent. There is no cheap, easy, non-technical way around this problem, and the system proposed is quite likely simply to lead to the export of technology of value. For this reason the proposal to abolish the patent agents' "monopoly" is equally misguided: they would no doubt continue to enjoy a de facto monopoly by virtue of their expertise anyway.

The Government is concerned to encourage innovation, and it would be best to consider Mr William Kingston's proposals for invention warrants rather than misguidedly to tinker around with the existing intellectual property system. It is indeed an indication of the Green Paper's superficiality that these proposals are not discussed at all.

Other proposals contained in the Green Paper give cause for concern, but those mentioned here give rise to the greatest.

J. N. Adams.
Keynes College,
The University,
Canterbury, Kent.

Taxing profits does not make sense

From Mr J. Woodthorpe

Sir,—A tax on profits never really did make much sense. Consequently, it is unlikely that the budget really did help (May 21). And if a tax on profits does not make sense, a sometimes-mooted one related to turnover is even less likely to do so, since it would simply become a cost to the purchaser, and hence inflationary.

A much better approach surely, would be to recognise that corporation tax is a low yielding tax anyway, and to remove it altogether. In conjunction, companies would be required to distribute all profits to shareholders, who would then pay tax at their own personal—or institutional—rate on the dividends. Companies would choose their own depreciation policy, whether it be 100 per cent first year write-off or straight line or decreasing balance, but once having done so, would be required to adhere to their choice.

Full distribution would accelerate capital mobility, and require companies to compete for new capital in the market-place. It would also ensure that all expense and investment decisions were made against the simple test of profitability, uncomplicated and unsubsidised by involuntary joint venture with the Inland Revenue—i.e., the rest of us.

John Woodthorpe.
54, Eaton Place, SW1.

Allegations rejected

From the Press Attache,
Embassy of the Islamic
Republic of Iran

Sir,—In your issue of May 21 you printed an allegation made by the so-called People's Mujahedin Organisation claiming that 400 political prisoners had been executed in Iran on May 1.

While rejecting all such allegations levelled against the Islamic Republic of Iran, the Embassy of the Islamic Republic of Iran in London, would like to register its utmost surprise of the publication by your newspaper of such slanderous and unfounded allegations.

If your newspaper makes a claim to impartiality in this respect, it will also reflect our response to the above-mentioned allegations.

M. R. Daryaee,
27, Princes Gate, SW7.

Privatising British Airways and charter flights

From the Chairman,
British Airways

Sir,—A report in the Financial Times (May 24) says that three of the largest air holiday travel groups are calling on the Civil Aviation Authority to exclude a privatised British Airways from their market in the interests of "more competition," whereas their argument could lead to less competition.

Even if one ignores the fact that by the beginning of 1983, those particular companies controlled some 47 per cent of total non-scheduled flights in the UK, the argument is still based upon entirely false premises.

It is nonsense to suggest, for example, that a profitable privatised British Airways would effectively destroy competition in whole plane charters by "dumping" spare seats below full cost in this unregulated sector of airline operation. It is also a fact that whole plane charters are only allowed into Heathrow—the British Airways main base—under very exceptional and limited circumstances.

The suggestion that British Airways could use its resources to undercut competition in the charter sector, ignores the fact that such an attempt would be extremely expensive and could severely damage group results. The same logic no doubt explains why one of the companies involved in preparing this "evidence" for the Civil Aviation Authority, Britannia Airways, backed by the massive resources of the Thomson Travel Group, has not launched a price war itself.

The past record of British Airways gives no ground for assuming it will try to dominate the charter sector. Since 1974, British Airways' share of the UK non-scheduled operations including British Airtours, has fallen from 21 per cent to 15 per cent in 1982. During that period, Britannia's share has risen from 17 per cent to 31 per cent, Air Europe's from nil to 9 per cent and Orion's from nil to 7 per cent. Overall the market has grown by 42 per cent, while British Airways' share has remained virtually static.

To argue that privatisation will radically reverse this trend is specious. Commercial pressures make it less likely, rather than more likely, that British Airways will attempt to overpower a sector which in 1982 carried 52 per cent of all UK international air passengers.

King,
Cleveland House,
St. James's Square, SW1.

From the Chief Executive,
Manchester International
Airport

Sir,—I feel I must answer John Mulkern's letter of May 18.

Manchester does, indeed, feel with some justification that present policies are discriminatory. Successive applications by carriers to operate direct scheduled services from Manchester have been opposed by British Airways or other British carriers. Department of Transport (formerly Trade) representatives continually place the interests of airlines before users. The aim is to protect British airline rights out of London when foreign carriers such as Singapore Airlines and Pakistan International wish to serve Manchester.

As Mr Mulkern states, Manchester is a hub airport for some types of traffic. In the quasi-deregulated non-scheduled sector of the industry airlines have diversified to serve a range of airports related to catchment area potential. Because of its greater accessibility Manchester has a wider catchment area than other airports in the north of England, such that when a particular route is operated from just one airport, Manchester is the natural choice.

Just as there is large demand for non-scheduled services, demand exists for scheduled services particularly to the presently unserved long-haul destinations. Government blocking tactics to protect the vested interests of airlines and airports in the south-east have prevented operation of these routes such that the hub effect at Manchester which appears so strong in global terms would disappear if scheduled services only were taken into account.

G. W. Thompson.
Manchester International
Airport,
Manchester.

FINANCIAL TIMES
Tuesday May 29 1984

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Terry Byland on Wall Street

No relief in ulcer drug race

THE STRUGGLE, for dominance of the U.S. market for anti-ulcer drugs, which has already brought Glaxo Holdings across the Atlantic to challenge SmithKline Beckman, will not become any less fierce in the next five years, but will present new challenges to the gladiators.

The market is likely to be worth around $621.7m this year selling to patients numbering some 27.4m, taking in those suffering from a wide range of stomach disorders, as well as from ulcers proper.

The bulk of sales – 96 per cent – still consist of the H2 receptor antagonists pioneered by SmithKline with its Tagamet drug, now challenged increasingly by Glaxo's Zantac.

But the market will change significantly towards the end of the decade. Its pace of growth is expected to slow dramatically from the 40 per cent rate of the past five years, which was achieved almost single-handedly by Tagamet. Moreover, the market mix is likely to change as patients, and hospitals, change to the new prostoglandin drugs which aim to circumvent side effects.

These new drugs may be more expensive but the U.S. Government is fighting hard to push hospital costs down. Increased competition in the market will exert similar pressures.

All these factors have influenced stock prices for the pharmaceutical groups with interest, or prospects, in this lucrative sector. Glaxo Holdings has not merely outperformed the Standard & Poor's 400 at the beginning of the year, but has edged forward, spurred on by the success of Zantac.

U.S. sales of Zantac are likely to reach about $130.8m this year, or 27 per cenkt of the anti-ulcer drug market, according to Mr David Crossen of Sanford C. Bernstein, the Wall Street brokerage house.

SmithKline's Tagamet will still hold its dominant position, with an estimated $325.9m or 68 per cent of the market for 1984. But as recently as three years ago, Tagamet was 100 per cent of the market. Since January 1, SmithKline's stock price has dipped by just over 5 per cent, compared with a 7.5 per cent dip in the S&P 400.

Other competitors for the anti-ulcer business can be regarded as non-existent for the moment. But this is about to change as the new drugs make their entry into the market place.

Mr Crossen believes that the new drugs will find it harder to break in than their manufacturers expect, expecially since the growth rate of the market is likely to slow down to 12 per cent over the next four years.

G. D. Searle and Upjohn will lead the storming party of prostaglandin drugs, but they will be followed by products from Syntex and Hoffmann-La Roche among others.

But none of these newcomers seem to have even an outside chance of dislodging Tagamet or Zantac. Market analysts see the prostaglandin drugs taking up no more than 18 per cent of the market by 1988.

The grip on the market of the H2 receptor drugs marketed by SmithKline and Glaxo will be reduced by the arrival of the new drugs, which may also include anti-gastritis drugs from Merck and Marion Laboratories, the impact of which cannot yet be assessed.

But Tagamet and Zantac could still be holding a 74 per cent share in the market in 1986. In these circumstances, Tagamet's share would almost certainly be reduced as Glaxo's Zantac extends its presence. Bernstein's research put Glaxo's share of the 1988 market at 32 per cent, worth $234.8m, and pressing hard on Smithkline's 38 per cent, worth $280.8m.

But the fight for the minority 18 per cent of the anti-ulcer market also offers opportunities. The stock market clearly expects great things from the Arbacet drug to be produced by Upjohn, whose stock price has actually risen by nearly 10 per cent this year. Arbacet, together with a similar nasal solution product, is a key factor in Wall Street predictions that Upjohn's earnings could rise from the $5.28 a share of 1983 to around $7.35 in 1988. Upjohn could be holding 4.3 per cent of the anti-ulcer market, worth to the company a total of $32m.

The other beneficiary could be G.D. Searle, whose unpopularity on Wall Street has been signalled by a near 25 per cent drop in the stock price since January 1. Searle's Cytotec drug will be the first oral prostaglandin product to reach the market and could have a 2.5 per cent stake before the others arrive, increasing to more than 6 per cent by 1988, worth $44.6m.

The prospects for growth in the U.S. medicare products field is providing an underpinning for pharmaceutical stocks which in many cases are vulnerable to any weakening in the dollar. Strength in the anti-ulcer sector could prove a valuable bonus.

SELLING MISSION RUNS INTO OBSTACLE

Reuters finds going tough in U.S.

BY CLIVE WOLMAN IN NEW YORK

THE TOP management of Reuters had a difficult time on last week's coast-to-coast selling mission to the U.S.

Seeking to persuade fund managers to take up shares in the international news agency and business information group, they became embroiled in the technicalities of U.S. stock market regulations.

The Securities Exchange Commission, the market watchdog, ticked them off over possible infringements of its tough regulations governing share offerings.

According to officials at Morgan Stanley, the New York investment banker which is jointly underwriting the flotation, the SEC threatened to cancel the offering if there were any further suspected lapses.

Thus on Thursday the team, led by Mr Glen Renfrew, the managing director, and Mr Nigel Judah, the finance director, confronted warily about 40 of Chicago's fund managers, taking every precaution not to be seen talking up their share price. According to Mr Dan Curren, of the First Options fund management group: "They seemed to be scared stiff when questioned about their sales growth."

The importance of the U.S. share offering to Reuters has been increased by the boycott of the simultaneous offering in the UK by the National Association of Pension Funds. The NAPF believes Reuters multi-tiered voting structure is unfair to most shareholders.

The Reuters team had flown in just in time for a lunch presentation to investors at the elegant private members' Union League Club in Chicago's financial district. They followed the standard format of food, a five-minute film history of the company, a survey of the present and future, and questions.

The meeting was shorter (only 90 minutes) and more strained than expected, partly because Wall Street had been falling sharply that morning. "A lot of people were mesmerised by the market and did not ask enough questions," said Mr Bill Latimer of Lazard Freres.

Some of the managers blamed the Reuters team. "I'd say they were kind of dry and so was the presentation," said Mr Michael Perlow of Westwood Management.

He was also not impressed by their management skills. "They should have been in the U.S. market long before they came," he said. "They should have been more aggressive."

But, he added: "They're going to *have a hard time not doing well*. They're in the right place at the right time. We have volatile markets and everyone seems to need all these crazy numbers they produce."

Ms Rita Spitz, of Harris Trust, said: "It sounded too good at the presentation because they did not explain enough. But I understood much more by speaking to them afterwards. They have some capable people but it will be difficult to monitor them with the HQ in London."

Several fund managers found the style of the Reuters team jarring. "It was a machine-gun type of presentation," said Mr Al Shapiro of Harris Associates. "It was not casual. But maybe that's just a function of being English."

He and most of the other investors at the meeting agreed that it had made them more inclined to buy some of the shares, although few, if any, were willing to commit themselves yet.

One exception was Mr Bill Bergman, of Blair William, who reacted in the opposite way. "I was more excited before I came," he said. "I'm sceptical about whether their growth can be maintained. They are going public at just the right moment for them, but maybe the wrong one for us."

Another manager admitted to an ulterior motive. "I only came to get some background on the competition, the kind of thing the other companies won't tell you," he confided.

Reuters had no comment on its team's experience.

The marketing techniques of the company on its six-city U.S. roadshow and the reaction of U.S. investors have been watched closely by advisers to British Telecom which will be following in Reuters' footsteps with a joint London–New York offering of shares, probably later this year.

The U.S. offering will account for nearly half the total offering from the company and its newspaper shareholders. When a striking price is announced this weekend, the sale is expected to yield between £200m and £270m ($372.6m).

Japanese financial reforms 'less severe' than expected

BY JUREK MARTIN IN TOKYO

REFORMS in the Japanese financial system, due to be announced within the next 24 hours in Tokyo and Washington, are less draconian than the Bank of Japan had at one stage feared.

This assessment was delivered yesterday by a senior official of the central bank in Tokyo. It suggests that the Japanese authorities are less concerned about their ability to manage the changes in their capital markets than some of the more extravagant claims of a major breakthrough, emanating from the U.S. Treasury, would imply.

The Bank of Japan official maintained, for example, that there was nothing in the reform package which would necessarily lead to an immediate or rapid appreciation in the value of the yen.

Although he expected the measures affecting the domestic capital markets to lead to "slightly higher" interest rates in Japan, he felt that in the short term at least the main determinant of the yen's value would be interest rate differentials between Japan and the U.S.

The official said the main current factor holding down the yen against the dollar was the outflow of long-term capital from Japan to the U.S., drawn by high U.S. rates, and that therefore the policy answer lay more in Washington than in Tokyo.

In the first quarter of this year, Japan ran a surplus on its balance of payments on current account – the broadest measurement of trade and financial flows – of $4.8bn; but the long-term capital outflow in the same period amounted to $5.3bn.

The package about to be unveiled will contain measures affecting both the domestic capital markets and the ability of foreign financial institutions to participate in them, as well as promoting the wider use of the yen in overseas transactions. The U.S. Treasury has claimed that this will lead to a much more highly valued, and thus less competitive, Japanese currency.

Any multi-reserve currency system, the central bank official said, was "inherently unstable" compared with a regime in which a strong dollar was the lynch-pin. The problem at present, he added, was that "the dollar is strong but not necessarily sound."

The traditionally cautious Bank of Japan has long believed that deregulation of the domestic markets, preferably gradual, should precede Euroyen liberalisation.

German unions in Bonn rally

Continued from Page 1

But the biggest mark that IG Metall leaves on Bonn will be churned-up mudflat which before the rally was an emerald lawn in front of the university, a Flanders field befitting what has become industrial trench warfare.

Breakthrough – if any – will be achieved only at the talks between unions and employers which restart in Stuttgart today, covering the North Baden Württemberg region, where 25,000 engineering workers are on strike and 65,000 more locked out.

Both sides proclaim their readiness to strike a deal but the premise for it is not apparent, even between the lines of the stated negotiated positions.

Without agreement, the disruption will grow exponentially. By the end of this week more than 250,000 people in the components, car and other ancillary industries will be stopped.

The printers too are pressing their case for a 35-hour week. Yesterday 18,000 members of IG Druck, the militant print and paper workers' union, stopped work, threatening scores of newspapers with emergency editions today, if any at all.

● West Germany registered a sharp fall in its current account surplus in the first four months of this year, according to figures from the Federal Statistics Office yesterday.

Home computers run out of steam

Continued from Page 1

sioned with "toy computers that do very little," suggests Dr Juliussen.

The withdrawal of Texas Instruments, and more recently Timex, from the market created confusion among consumers.

Disappointment with IBM's PCjr home computer has added to uncertainty in the marketplace, and the financial problems of Coleco and Atari have compounded the problems.

"I'm still convinced that the consumer wants to buy a home computer, but there is dearth of products in the $500 to $1,000 range where most potential buyers fit," says Dr Juliussen. "There are a lot of mass merchants hunting for products, but the ones that have are not selling. It is a topsy-turvy market."

"The computer industry has so far failed," says Atari's Mr Morgan, "to provide a compelling reason for consumers to buy home computers." His worry is shared by competitors at IBM, Tandy and Apple.

Home computer makers must solve the critical consumer questions: Why buy a home computer? And why buy one now? To date, they do not appear to have provided the answers.

Commodore, with its Model 64, holds the lead in the under – $1,000 home computer field. But the company has not increased its share of the U.S. market over the past year and is undergoing a major management shake-up, analysts point out.

Although Commodore has announced several new home computer models, the company has a reputation for failing to deliver announced products.

Tandy's Radio Shack home computers have failed to gain the support of third party software vendors. Without a steady supply of new programmes the Radio Shack computers have become a disappointment to early purchasers.

Atari does not plan any major home computer product introductions this year, according to Mr Morgan. The Atari 800 has sold well since its introduction last year, say industry analysts, but the company's financial problems have frightened away many potential buyers.

Without Timex, Sinclair of the UK is not taken seriously as a contender in the U.S. market.

Coleco's Adam, also introduced last year, has been beset with reliability problems. The company has severely cut production plans and is unlikely to increase efforts in the market unless there is a major surge in demand, say analysts.

IBM's home computer, the PCjr, has proved the biggest disappointment of the market. The machine that was supposed to "legitimise" the home computer had the opposite effect by creating more confusion. Market researchers predict that IBM will sell about 200,000 units this year, but unless improved versions of the PCjr, are introduced that number could be halved, they say.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	F	16	61	Dubrovnik	S	20	68	Malaga	–	—	—	Salzburg	C	15	59
Akrotiri	S	24	75	Faro	S	20	68	Malta	–	—	—	Seoul	C	26	79
Algiers	–	—	—	Florence	F	17	63	Manila	S	35	95	Singapore	R	31	88
Amsterdam	C	12	54	Frankfurt	R	10	50	Miami	R	27	81	Stockholm	C	13	55
Athens	S	24	75	Funchal	F	18	64	Milan	F	16	61	Strasbourg	C	9	48
Bahrain	S	35	95	Geneva	C	10	50	Moscow	C	25	77	Sydney	F	18	64
Bangkok	S	33	91	Gibraltar	F	20	68	Munich	C	12	54	Taipei	R	26	79
Barcelona	F	18	64	Guernsey	C	10	50	Nairobi	–	—	–	Tangier	C	19	66
Beirut	–	—	—	Helsinki	R	16	61	Naples	C	18	64	Tehran	–	—	—
Belgrade	C	23	73	H. Kong	C	28	82	New Delhi	–	—	—	Tel Aviv	S	25	77
Berlin	T	18	64	Innsbruck	R	12	54	New York	R	24	75	Tenerife	F	23	73
Biarritz	C	12	54	Inverness	S	13	55	Nice	S	20	68	Tokyo	C	23	73
Blackpool	C	12	54	Istanbul	S	24	75	Oporto	F	15	59	Toronto	C	16	61
Bordeaux	C	13	55	Jersey	C	10	50	Oslo	R	16	61	Tunis	C	22	72
Brussels	F	11	52	Jo'burg	F	20	68	Paris	C	12	54	Valencia	F	19	66
Budapest	R	13	55	Las Palmas	C	22	72	Prague	–	—	—	Venice	F	18	64
B. Aires	R	16	61	Lima	F	22	72	Reykjavik	C	12	54	Vienna	R	14	57
Cairo	C	33	91	Lisbon	C	16	61	Rio de J'o	C	34	93	Warsaw	F	21	70
Cape Town	S	16	61	Locarno	F	14	57	Rome	S	19	66	Zurich	R	7	45
Caracas	C	29	84	London	R	9	48								
Casablanca	C	19	66	Los Angeles	F	31	88								
Copenhagen	S	19	66	Luxembourg	C	11	52								
Corfu	S	24	75	Madrid	S	18	64								
Dublin	S	15	59	Majorca	S	20	68								

Readings at mid-day yesterday.

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Fed pledge

Continued from Page 1

per cent of their capital base in June 1982.

The nine money centre banks, which have had the benefit of $4.4bn of extra capital, have been able to reduce their relative exposure only from 139.4 per cent to 126.3 per cent of their capital. The next 15 biggest U.S. banks have been less successful still managing to cut their relative exposure from 96.1 per cent to 91.9 per cent – half the rate of reduction of the money centre banks.

Mr Martin, speaking on television yesterday, strongly denied that the U.S. was on the brink of a major banking crisis

Gloomy background to Nato meeting

By Bridget Bloom in Washington

A PARTICULARLY pessimistic assessment of the immediate future of East-West relations forms the background to the Nato Foreign Ministers' meeting opening in Washington today.

Nato's Foreign Ministers, gathered here this week to mark the 35th anniversary of the founding of the 16-nation Western alliance, appear to have concluded that there is no chance of a resumption of U.S.-Soviet arms control negotiations for the rest of this year, and probably beyond.

Nato Ministers who recently visited Moscow are also expected to report renewed uncertainty over the Soviet leadership.

Herr Hans Dietrich Genscher, the West German Foreign Minister, is expected to tell his colleagues that Mr Konstantin Chernenko may be ill.

The Soviet President was said by German officials accompanying Herr Genscher to Moscow last week to have read a prepared speech "woodenly" and to have had difficulty breathing.

The German visitors also reported that Mr Andrei Gromyko, the Foreign Minister, appeared to be exerting more influence than normal, though in a hardline manner.

This suggested that a resumption either of the Geneva Euro-missile talks or of the Strategic Arms Reduction Talks (START) was unlikely at least for the rest of this year.

These gloomy prognostications for East-West relations come as Nato Ministers formally receive a new study, which is believed to endorse the need for a deepened political dialogue with the East. The report was commissioned by the Foreign Ministers from Nato officials last December.

The report will not be published, but its findings are expected to be reflected in the communiqué, which will be published at the end of the two-day meeting on Thursday.

According to U.S. officials, the dual themes of the study are an expanded dialogue with the Soviet bloc, combined with an insistence that Nato will not offer concessions merely to persuade Moscow back to the arms control talks.

Ministers are expected to discuss the study at a "super-restricted" session to be held tomorrow at Wye Plantation, a country house outside Washington.

The Ministers set great store by these sessions, begun only in 1980, which allow them to break away from set speeches and structured discussion of a communiqué already drafted in exhaustive detail by their official.

They are also expected at Wye Plantation to discuss the Iran-Iraq war and the implications for the West, although Ministers are seriously divided on whether Nato should even have a collective policy towards crises in areas which fall outside the geographical scope of the Nato treaty.

There is thus no question of any direct military role by Nato in the Gulf, but the U.S. would like more understanding from its European allies on the need to compensate for possible U.S. military action in that or other non-Nato areas.

THE LEX COLUMN

A heavy roller for the pitch

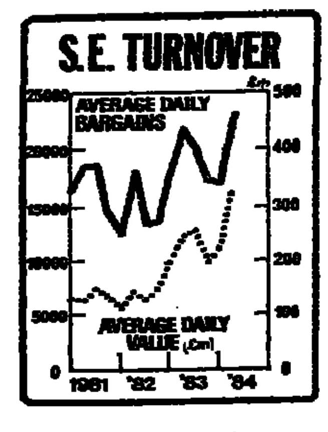
Suddenly the massed bands of the London Stock Exchange membership have begun to sound a touch cacophonous. Handed a new score for urgent rehearsal in the Green Paper on market reform, most of the top brass have appeared to follow the same line in espousing a dramatic shift to dual capacity, in place of the traditional jobber/broker dealing structure. But a number of smaller stockbrokers and not a few of the leading firms, too, are now playing a whole medley of rather different tunes.

To an extent this simply marks a welcome opening up of the discussion. Senior partners of member firms have been given until Thursday to respond in writing to the ideas in the Green Paper and the deadline has worked wonders. Some of the discordant noises also reflect, though, a widespread unease that the applications of dual capacity as variously prescribed in the paper amount to fast footwork in the City – aimed, say the critics, at securing a firm grip on the future wholesaling of UK equities for today's jobbers and just a handful of top brokers.

Dual capacity

Many small firms, for example, have grown alarmed at the prospect – which the paper would seem to favour – of a system based very largely on dual capacity market makers competing with each other via an electronic network. The ostensible concern is that too many second line stocks would lose their present liquidity; but behind it, deeper fears are evident. Partners are alert to the nasty reality that they might have neither the capital nor the staff to compete as market makers themselves; that they could be deprived of the comfort and familiarity of a physical trading floor; and, above all, that in the era of negotiated commissions those brokers solely dependent on agency business might quickly find themselves on the slippery path to insolvency signposted on Wall Street a decade age.

Less widely predicted has been the campaign by some of the City's biggest brokers against the competing market maker system, outlined as option four in the paper. These brokers object strongly to yielding dual capacity to the registered market maker – allowing him direct access to the investor, that is, in addition to his primary task of quoting "live" bid and offer prices at all times. And the jobbers are no less opposed to brokers ducking the responsibilities of the market maker while prospering in good times as a block trader, matching large buy and sell orders entirely at his own discretion.



While option four thus poses sharply conflicting sectional interests increasingly evident in the City debate, it also raises prickly technical dilemmas. Above all, it does not provide for a price/volume ticker tape. Both jobbers and brokers agree that, given relatively thin markets in most UK equities, this innovation could deter market makers and dry up the trading flow. But *without it*, the fragmented marketplace could be a regulatory nightmare – and liquidity would be threatened by any big jump in the number of market makers, all hard-stretched to track the competition.

To cut its way through all these problems, the Stock Exchange membership might do worse than return to first principles. There must be scope for more competition in the marketplace – and it must be sought in ways likely to attract more investors, domestic as well as foreign, while also bringing the market more into line with those of the U.S. and Japan. The key to all this surely must be a continuous, contralised and open market with instant last trade exposure.

The best way of achieving this – at least within the given timetable – is probably via a two-tier market. Those 3,000 or so thinly traded UK equities deemed too sensitive for a ticker tape could be left to a single capacity market operated broadly on traditional lines. This ought to dispel the worst fears of the smaller brokers, who could expect opportunities to consolidate their businesses even in the face of new commission rates and membership rules. And setting a tested marketplace alongside the new could provide a helpful continuity – not least for the jobbers, but for the wider membership as well.

This would leave a premier tier of, say 200 companies open to broker-to-broker dealing in a dual capacity market. In so far as it would be centralised by a ticker tape and characterised by a substantial volume of block-trading by broker-dealers, the market would resemble the New York Stock Exchange. None of the "practical disadvantages" of this noted in the Green Paper appear very convincing.

While the Green Paper's slightly sniffy dismissal of the auction system may look inadequate and due for review, though, it justly draws attention to some of the many difficulties encountered in the tortuous development of the specialist's role on the Big Board over the last half century. The central issue here has usually concerned the specialist's right to deal on his own behalf in addition to his primary, largely clerical function as agent broker to all the other broker dealers, co-ordinating and supervising their activities. But the paper might have grasped the wrong end of this stick by suggesting a role "more akin to jobbing" which would only threaten to compound the problems met in the U.S. – and the opposite approach must be worth airing.

Combined features

The result might combine the features of both the auction and the competing market maker systems. Deprived of his dual capacity, the specialist would have a key executive function but would lose the right to deal for himself. Orderly and continuous trading could rely – to the extent that broker-to-broker dealing did not provide it, as some think it would – on independent market makers broadcasting prices within a restricted electronic network. Giving them direct access to the public in addition to certain of the current jobbing privileges would probably establish market making as an essential role for most leading firms, though block trading as well as agency work would still be available to pure broker dealers. But it might be thought desirable to limit the market-making function much more narrowly and this critical point deserves to be a focus of future discussions.

Some overlap, anyway, would appear inevitable between the roles of broker dealer and market maker. It would be up to market forces to determine the most advantageous status for a member firm in relation to each equity. Most firms, whether ex-jobbers or ex-brokers, would surely combine both roles in time. Some equities might well suffer reduced liquidity in the transition period. But that seems a price worth paying for a structure which might eventually attract significantly higher volume and could yet provide for the specialised small partnership as well as a broad range of larger firms. The middle ground between them, as so often predicted, might prove a more hostile terrain.

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FINANCIAL TIMES
Tuesday May 29 1984

U.S. worries raise doubts on trend of loan conditions

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

RENEWED worries about the health of the U.S. banking system last week raised new doubts about the trend of loan conditions in the Eurocredit market.

Wafer-thin interest margins which have become the norm for top-rated borrowers this year suddenly seem rather risky after Thursday's savage sell-off of U.S. bank shares on Wall Street.

There may have been no apparent justification for the stock market behaviour, but it serves as a blunt reminder of the fragility of financial markets at the moment. If that fragility were ever to spill over into the interbank market, low-margin loans would become hard to fund at a profit for many banks and conditions might have to tighten.

Against this background a climate of unusual hesitancy pervades the Eurocredit market. Mr Stratis Papaefstratiou, a senior Bank of Greece official, said on Wednesday his country would wait for a few weeks to let the market settle down before announcing its next borrowing. By Friday it was clear that other borrowers, too, were standing on the sidelines.

All are watching the progress of Denmark's $1bn standby credit launched through Manufacturers Hanover last Monday on terms that provoked at best a mixed reaction. A strong body of opinion in the market argues that its facility fee of 0.05 per cent is simply too low to make economic sense.

The general shortage of new business means that the deal should hardly flop, but what counts more is the quality of the lead management group and the ease with which it is assembled – and that will only become clear in the course of this week.

The Danish loan follows hard on the heels of another tightly priced deal, the $1.5bn back-up to Sweden's recent floating rate note issue in the U.S.

Syndication closed last Wednesday with more than $500m sold down in the market.

It is not surprising that Latin America has been returned to the list of banking worries. Besides the general borrower protest over rising rates, Argentina this Thursday faces a new deadline in its efforts to negotiate an economic programme with the IMF. Without it the rescue programme put in place last March by Mexico, Brazil, Venezuela and Colombia could unravel.

Argentine officials said last week that an agreement with the IMF was close and should be in place by June 15, but many bankers are still sceptical.

Even if Argentina does make rapid progress with the IMF it still faces a difficult round of talks with commercial banks, which will be asked to reschedule loans falling due between late 1982 and the end of this year as well as for a new money loan of up to $3bn. Argentina also wants Western governments to reschedule about $1.5bn. in maturing debt, and these protracted talks could see at any time a revival of general banking uncertainty.

This does not mean, however, that the syndicated loan market has completely dried up. Last week saw the launch of another deal for the Soviet Foreign Trade Bank which is to be assembled mainly among Arab banks by the Paris-based FRAB Bank International. The club deal is for $100m over five years at a margin of ⅜ per cent above Eurodollar rates and repayments will begin after a grace period of 2½ years.

In the Far East terms have been set on a $300m, eight-year credit being sought by Korea Eximbank. It will bear interest at ⅜ per cent over the mean of the bid and offered rates for London interbank dollar deposits for the first two years, and ⅜ per cent above the slightly higher offered rate for the remaining six.

Eurobond nervousness spurs flight to quality

BY MARY ANN SIEGHART IN LONDON

BHF Bank bond average		
May 28		Previous
98,919		99,930
High	1983-84	Low
100,009		98,056

THE RELENTLESS slide in Eurobond prices continued last week amid increased nervousness over the stability of the world banking system and, in particular, of U.S. banks with a large exposure to less developed countries' debt.

This nervousness has been in evidence to a certain extent since the Mexican crisis in the summer of 1982. But until the recent sharp rise in interest rates, most pundits felt that an ad hoc solution could be reached and that a world recovery would allow the debtor countries to muddle through.

Now investor attention is being focused more on the creditors than the debtors. The spate of rumours about Continental Illinois a fortnight ago was followed last week by scares about other U.S. banks, and especially those with large loans to Argentina.

As a result, the spread between the yields on bank bonds and those of top-rated sovereigns, supranationals and corporations has widened. The banks which have been the subject of the rumours have been particularly badly hit. Continental Illinois dollar bonds are yielding well over 16 per cent, while Manufacturers Hanover's paper is yielding more than 15 per cent.

In this sort of highly-strung market, there is often a flight to quality. This was in evidence last week in the dollar sector.

Of the new issues launched, two did conspicuously better than the rest. Export-Import Bank of Japan (guaranteed by Japan) and the Rockefeller Group (guaranteed by Aetna Life and Casualty) launched 13¼ per cent bonds which sold well within their selling concessions. Both are rare triple-A rated borrowers.

Caisse Nationale des Telecommunications, by contrast, though it too is rated triple-A, paid ½ per cent more on its coupon and still found the bond languishing at a discount of more than 2 points. The reason was that the New York market crumbled as the issue was launched and the name did not carry the rarity value that might have tempted investors regardless.

Coupons have now got to a point where borrowers are loath to borrow fixed-rate money (though some bankers remember their potential borrowers complaining last year they did not want to issue bonds while coupons were still in double figures).

The floating rate note market seems slightly healthier. Three banks launched new deals last week and all traded at discounts within their fees.

Continental European markets have caught the jitters too. In the D-Mark sector, last week's only scheduled issue – a DM 150m bond for the Council of Europe – was postponed twice

In Switzerland, prices fell by nearly a point on the week – a substantial loss in that market, which tends to be less volatile than its dollar and D-Mark counterparts. Investors there are nervous and turnover is low.

EURODOLLAR DEPOSITS

Crisis payment forced upon major banks with problems

BY DAVID LASCELLES IN LONDON

NERVOUSNESS about U.S. banks may have held the world in its thrall in the last few days. But much of the drama was actually played out at some distance from America's shores: in the trillion-dollar Euromarkets where U.S. banks raise their money, mostly through London.

Trading in these acutely sensitive markets ranged from "frantic to frozen" according to one dealer, as Continental Illinois tottered on the brink and rumours swirled about other U.S. banks in trouble. They had calmed down by the weekend but trading was still said to be nervous and thin.

The market for Eurodollar deposits (which is largely conducted by the banks themselves) is, after the domestic U.S. market, the largest financial market in the world. It consists of two separate but closely linked parts: large deposits which banks and cash-rich institutions place with other banks for a fixed period, anything from a day to several months, and certificates of deposit (CDs) which banks sell to investors, who may re-sell them into a secondary market.

Interest rates move in tandem, but tend to be slightly lower on CDs because investors can get their money back at any time simply by selling them (a bank issuing CDs starts ready to buy them back). To get deposits back, they have to "break" them and pay a penalty.

Though Eurodollar rates closely follow domestic U.S. rates, they are usually a little higher to offset the fact that banks have to put up reserves with the Fed on domestically raised deposits (the Fed also requires reserves on Eurodeposits brought into the U.S.).

The markets are very much at the sharp end of the world banking system, and the ability of a big international bank to tap them – and on good terms – is crucial to its standing, which is why bankers are very touchy about them.

Traditionally the top U.S. banks have commanded the finest terms. These are the nine biggest banks which belong to "the run," the domestic market for top quality CDs.

Normally, they trade on identical terms, and dealers accept paper without asking who issued it. But at times of crisis, the market differentiates between banks and forces those with problems to pay more. Last week a gap opened up between Manufacturers Hanover's paper and that of Morgan Guaranty, America's most highly regarded bank. But Manufacturers stayed on the "run." Two years ago, Continental was forced off it after the Penn Square fiasco.

Even so, dealers said it was hard to gauge how much differentiation there was because few banks were willing to sell CDs, and investors were only interested in the shortest possible maturities.

The next tier down consists of the big UK clearing banks plus the strongest non-"run" U.S. banks and top Continental European banks. The large Japanese banks, which are more recent arrivals, are also increasingly highly regarded. This tier pays up to ⅛ per cent more for its money than the top tier.

Below that there are more tiers where banks pay bigger premiums the lower they go.

"Tiering" becomes more obvious in a crisis as investors try to place their money with the soundest-looking banks.

NEW INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Lead Manager	Offer yield %
U.S. DOLLARS							
Intec §‡	50	1999	15	3	100	Nikko Europe, Rbt. Fleming, Mitsubishi Fin.	3.000
Credit Lyonnais †	300	1996	12	¼	100	Credit Lyonnais Salomon Bros.	–
Ex. Im. Bank of Japan ‡	75	1991	7	13¼	100	Mgn. Guaranty, LTCE	13.250
Samsung †‡	30	1994	10	¼	100	Cont. Ill., Paribas Asia, Yamaichi Intl.	–
CNT ‡	100	1991	7	13¾	100	BNP, CSFB	13.750
Toyo Trust †‡	100	1999	15	⅛	100	CSFB, Toyo Trust Intl., Nomura Sal. Bros.	–
Kleinwort Benson (a)(b)†‡	150	1996	12	¼	100	CSFB	–
Rockefeller Group ‡	100	1989	5	13¼	99¾	Morgan Guaranty	13.322
CANADIAN DOLLARS							
Hydro Quebec	50	1991	7	14	100	Merrill Lynch	*
SWISS FRANCS							
Shin-Etsu Chemical **§‡	30	1989	–	1¾	100	UBS	1.750
Toyotokiba Co. **§‡	50	1989	–	2	100	SBC	2.000
EIB	100	1994	–	–	–	CS	*
Zojirushi Vacuum **‡	20	1989	–	6⅛	100	Wirtschafts- und Privatbank	6.125
SWISS FRANCS							
Finland **‡	60	1990	–	6	100	UBS	6.000
PKN Anstalt **‡	70	1989	–	6	100	CS	6.000
Japan Devl. Bank	100	1994	–	–	–	SBC	*
Masda **§	100	1989	–	2	100	UBS	*
Nichiobishin **§	20	1989	–	1¾	100	Handelsbank	*
GUILDERS							
Jutland Tel. Co. ‡	50	1994	8	9¼	100.5	Amro Bank	9.172
EIB	300	1994	8	8¾	*	Amro Bank, ABN	*
Aegon ‡	100	1989	5	8¼	100	Amro Bank, ABN	8.250
ECUs							
EEC ‡	50	1991	7	11¼	100	SBCI, CSFB, UBS Secs.	11.250
IBJ	40	1989	5	11¼	100	CCF	*
YEN							
New Zealand ‡	15bn	1990	6	7⅛	99¾	Daiwa Secs.	7.306
Council of Europe ‡	20bn	1994	9	7.5	100	Daiwa Secs.	7.641

* Not yet priced. ‡ Final terms. ** Placement. § Convertible. † Floating rate note: spread over 6-month Libor. (b) spread over 6 month mean. (a) –50 million tap. Note: Yields are calculated on AIBD basis.

U.S. BONDS

Crisis of confidence over talk of bank liquidity problems

THE TROUBLED U.S. financial markets open again today following a much-needed extended week-end break from the fear, rumours and turmoil that characterised trading late last week.

The credit market started the week in a now familiar rut, but on Thursday, a spate of strongly denied rumours about liquidity problems at several major U.S. banks—said to have originated in Europe—caused a crisis of investor confidence.

In a classic "flight to quality" investors scrambled for the shortest and most secure securities they could find—U.S. government Treasury bills. T-bill rates plunged while certificate of deposit rates soared and longer maturities just sank. The ripples were felt throughout the whole of the U.S. financial system.

Events last week showed the sheer fragility of the U.S. markets. The trigger for the acute investor caution was the run on Continental Illinois two weeks ago which has focused attention of U.S. banks in general, and particularly on their exposure to less developed countries (LDCs).

This crisis of confidence, which resulted in a dramatic steepening of the yield curve to 369 basis points—the most positive since World War II (with the exception of August and September 1982 when the first phase of the international debt crisis was just sinking in) coincided with a Federal Reserve Board policy making Federal Open Market Committee (FOMC) meeting, and the release of the March FOMC record late on Friday.

Wall Street economists see the Fed as being unable to alter its current monetary tack significantly in either direction for fear of further compounding market problems—or those of the domestic and international financial system—while remaining deeply concerned about the pace of growth in the domestic economy and a percieved threat of renewed inflation.

As a result they believe Fed policy is in a holding pattern with a widely expected firming currently ruled out by other factors. They are therefore beginning to look at other alternatives for the Fed.

Specifically there is new talk of some form of credit controls but this probably depends on the performance of the markets and the economy in coming weeks and on whether the Fed and the President would dare take such a drastic step in an election year.

However, the range of options open to the Fed appears to be narrowing. While the latest economic statistics tended to confirm the increasingly worrisome strong growth in the economy, and consumer prices showed a larger than expected 0.5 per cent increase in April, the credit and money markets appeared at times paralysed by fear.

At the close on Friday the yield curve still showed the hallmarks of a deeply troubled market. For example the yield differential between 3-month and 1-year government issues was a massive 196 basis points. In contrast the spread between the current government 20-year issue, yielding 13.68 per cent, and the new 30-year long bond was a meagre 2 basis points with the long bond closing the week down 1¾ points at 98¼ to yield 13.70 per cent.

Other sections of the U.S. credit markets also took a hammering led by municipal issues which closed the week down one to two full points following the revelation by the City of San Jose, California, of a $60m loss on its government bond portfolio.

In the corporate markets prices were marked down by about a point in light trading. New issue activity remained light.

Paul Taylor

U.S. INTEREST RATES (%)

	Week to May 25	Week to May 18
Fed funds wkly average	9.75	10.52
3-month CDs	11.30	11.15
3-month T-Bills	9.58	9.85
30-year Treasury Bond	13.68	13.58
AAA Utility	14.75	14.63
AA Industrial	15.50	14.25

Source: Salomon Brothers (estimates). In the week to May 14 M1 increased by $1.1bn to $541.0bn.

Nippon Oil and Mitsubishi Oil in co-operation deal

BY OUR FINANCIAL STAFF

NIPPON OIL, Japan's biggest oil distributor, and Mitsubishi Oil, the fifth largest, yesterday announced a wide-ranging co-operation agreement expected to produce a grouping with around 25 per cent of the domestic oil products market.

The deal is the latest and potentially most important in a series of tie-ups, mergers, and co-operation agreements among Japanese oil companies. The country's Ministry of International Trade and Industry is encouraging the links in order to rationalise a loss-plagued industry which it believes has too much capacity and too many participants.

The agreement, which the companies said would help them cut costs, covers crude oil purchasing, refinery operations, and the sale and distribution of oil products.

They have also agreed on limited ownership of each other's stock, but have not yet decided on the extent of the cross-holding.

The companies will set up a joint committee to discuss details such as chartering and scheduling tankers, purchasing crude and using oil storage tanks jointly. The committee will also discuss setting similar wholesale prices and banning intrusions into each other's prime marketing districts, Nippon said.

Starting with the merger of refinery operations between Maruzen Oil and Daikyo Oil announced last October 13, oil distributors have formed seven "groups" of differing degrees of co-operation. In some cases, the talks are only at the preliminary stage, but closer ties between the companies are expected.

Swire Pacific sees profits rise

BY DAVID DODWELL IN HONG KONG

SWIRE PACIFIC, the Hong Kong conglomerate with interests ranging from aviation and shipping to industry and general trading, yesterday forecast consolidated profits for 1984 of not less than HK$1bn (US$128m) which would represent a 14.9 per cent increase on 1983.

The forecast was made in a document detailing the group's HK$1.24bn cash and shares offer for the 27.5 per cent stake in Swire Properties that it does not already own. The parent also forecast that Swire Properties would generate consolidated profits of HK$290m this year, a 12.2 per cent fall from profits of HK$330m in 1983.

Swire Pacific's profits increase would come from strong growth at Cathay Pacific, the airline in which Swire has a 70 per cent stake, and improvements in industrial and trading activities. Profits from property businesses and shipping would be lower, Mr Michael Miles, Swire Pacific's chairman, predicted.

Mr Miles explained the expected fall in Swire Properties' profits would result from investment property sales down from HK$131.8m in 1983 to an expected HK$50m this year.

● Conic Investment, which with its private associate Honic is Hong Kong's largest electronics group, yesterday announced further delay in publication of its 1983 result. Trading in the group's shares was suspended on May 17 after an announcement that substantial debts owed by a major shareholder may be irrecoverable.

TNT expects recovery in 1984-85

By Lachlan Drummond in Sydney

NET EARNINGS at Thomas Nationwide Transport, the Australian-based freight group, fell sharply to A$1.9m in the third quarter to March 31 under the pressure of heavy losses on its trans-Atlantic shipping and U.S. road freight operations.

For the nine months earnings were down 42 per cent from a depressed total of A$29.2m to A$17m but the company expects full year profits roughly in line with the halved total of A$31m achieved in 1982-83 and significantly higher 1984-85 earnings.

The third quarter is traditionally the lowest for TNT, although the latest result compares with A$3.8m last time and A$10m in 1981-82.

The earnings forecast points to final quarter profits of around A$14m, which will reflect the reduction in losses on the North Atlantic, where its Trans Freight Lines subsidiary will gain the benefits of a more stable and higher-priced market flowing from the March 1 setting of new U.S.-Europe conference rates. These operations ran up losses of around A$20m in the first half of the current year.

An unchanged third interim dividend of 3 per cent a share has been declared for a nine-months' total of 9 cents on earnings per share for the three quarters of 8.4 cents against 14.5 cents.

Second stock market for Johannesburg

BY JIM JONES IN JOHANNESBURG

THE Johannesburg Stock Exchange (JSE) is on the verge of establishing a second market for small, new companies which do not otherwise qualify for a listing on the main stock exchange board. The new market, to be known as the Development Capital Market (DCM), is an essential development, says Mr Paul Ferguson, the outgoing JSE president. This has been proved by the remarkable success of London's unlisted securities market and New York's over-the-counter market, Mr Ferguson added.

The proposals have still to be approved by the Registrar of Financial Institutions, but the exchange is confident that this will be forthcoming even if certain modifications to the proposals are needed. Guidelines for a listing on the DCM are that a company should have a normal share capital and reserves of at least R0.5m ($0.4m); at least 1m shares in issue; an acceptable two-year trading record and a current audited taxed profit of R150,000 (though this requirement can be waived in the case of mining companies); at least 10 per cent of the issued shares held by the public; and at least 75 shareholders.

● Fedfood, the South African food group, has reported increased turnover and profits, due mainly to better pelagic fish catches in Namibian waters and improved results from the bakery division. Turnover increased by 10.8 per cent to R730.7m in the year to March from R650.2m in the preceding year. Operating income before interest and tax rose by 17.2 per cent to R52.9m from R45.1m.

Mr Jan Louw, the managing director, says the bakery division benefited from rationalisation of delivery areas and a switch by black consumers to bread away from maize meal. He adds that the maize milling and edible oil division was only able to maintain market share under difficult trading conditions.

A total dividend of 30 cents has been declared from earnings of 82 cents a share. In the previous year earnings were 65 cents a share and a total dividend of 27 cents was declared.

● Argus, the South African newspaper group which publishes the Star and the Cape Argus, increased pre-tax profit significantly during the 13 months to March following the consolidation of the printing company, Hortors and the stationery and records group, CNA-Gallo. Pre-tax profit was R46.7m against R20.9m in the preceding year.

A total dividend of 375 cents has been declared from earnings of 1,165 cents a share. In the preceding year earnings were 908 cents a share and a dividend of 300 cents was declared.

INTERNATIONAL APPOINTMENTS

New president for Visa International

● VISA INTERNATIONAL and VISA USA have elected **Mr Charles T. Russell** as president and chief executive officer of both organisations succeeding **Mr D. M. Hock** who has been elected an adviser to both boards. Mr Russell was president and chief operating officer of Visa USA and executive vice president of Visa International.

● **Dr Gerard Batliner**, former head of the Liechtenstein Government, and **Dr Rudolf Staub**, general manager of Winterthur Swiss Insurance Company, have been appointed to the board of VERWALTUNGS-UND PRIVAT-BANK, Vaduz.

● **Mr Fredy Dellis**, president of the Europe, Africa, Middle East and Canada division of the HERTZ CORPORATION, has been appointed to worldwide HQ in New York as executive vice president — international operations and leasing. He will be responsible for all operating functions outside the U.S., including the Hertz U.S. car leasing division, Hertz Europe (the company's Europe, Africa and Middle East division) and Hertz International (Canada, Mexico, Panama, Puerto Rico and the worldwide franchise operations). He is replaced in the Europe, Africa and Middle East division by **Mr John Hambly**, who is appointed vice president and general manager, Hertz Europe. Mr Hambly returns to the European headquarters following 12 months as general manager of Hertz in the UK. Mr Chris Kelly, who has also completed a 12-month job rotation at Hertz Europe in Cranford, Middlesex, takes control of the UK car rental operations as managing director, Hertz UK Cars.

Mr Fredy Dellis, Hertz executive vice-president international operations and leasing

● BP CHEMICALS INTERNATIONAL has appointed **Mr Michael Depraetère** as business general manager, polyolefins, from July 1. He will be based in Geneva and will be taking over from **Mr J. N. Turnbull** who became a director of BP Chemicals in December 1983. While remaining president directeur of BP Chemicals (Suisse) SA, Mr Turnbull plans to move from Geneva to London in the summer of this year, from which time Mr Depraetère will act for him in respect of day-to-day management and co-ordination of BP Chemicals (Suisse) SA.

● **Mr G. F. J. Ashton, Mr S. M. Gazal** and **Mr I. E. Joye** have resigned as directors of NORTH KALGURLI MINES. **Mr P. G. Beckwith, Mr P. C. Lucas** and **Mr R. A. Pearce** have joined the board.

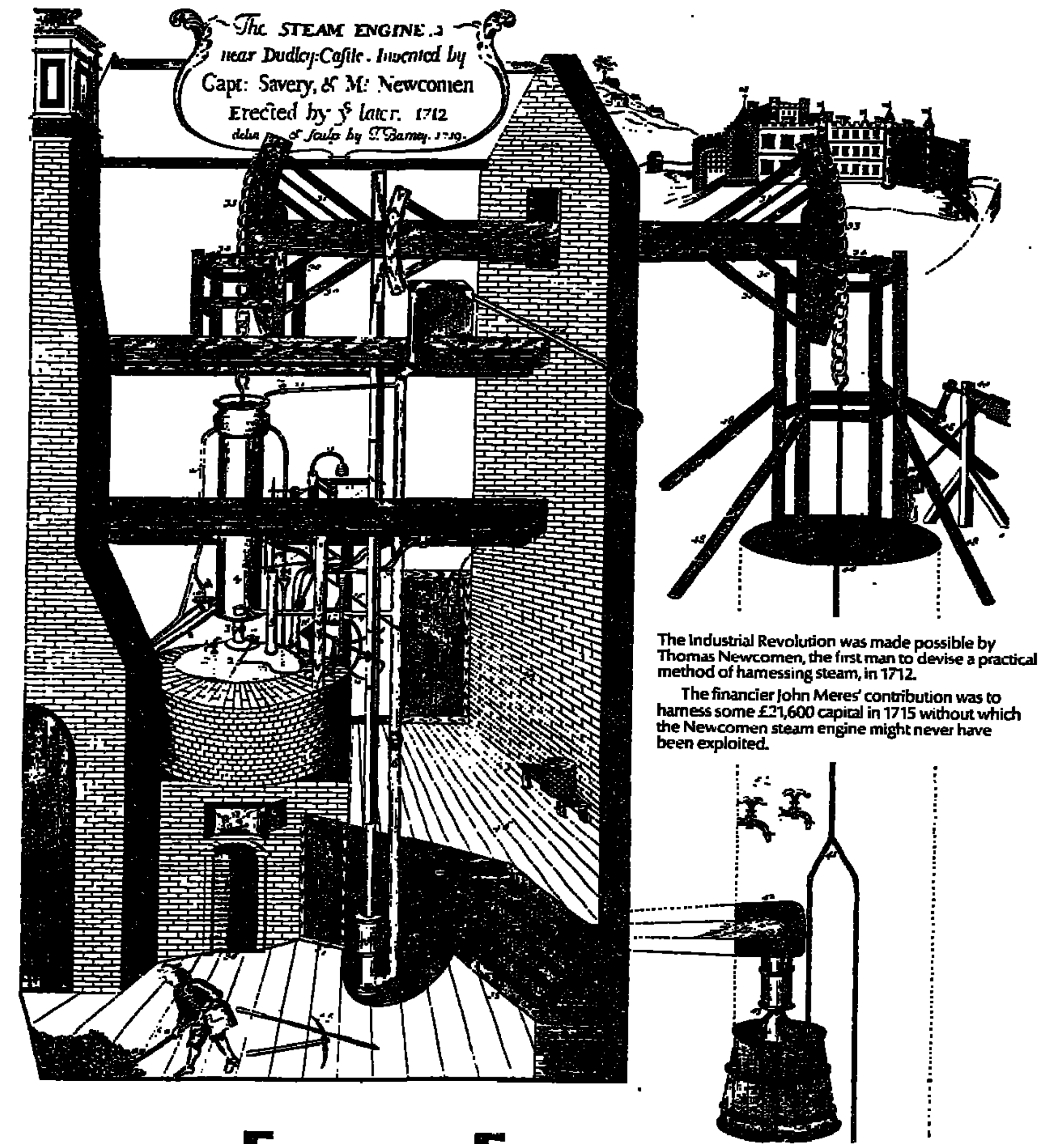
● COMMODORE INTERNATIONAL has named **Mr Alexander M. Haig, Jr**, former U.S. Secretary of State, to its board. He has also been retained as a consultant to the company.

● **Mr R. J. Angel** has been appointed manager, international planning co-ordination, in the marketing and refining division of MOBIL OIL in New York, from June 1. He was director of manufacturing operations for Mobil Oil and manager of Mobil's UK refinery at Coryton in Essex.

● **Mr Ronald Lagden**, president-Europe for international grocery products, becomes QUAKER OATS chairman-Europe, from October 1. His role will change from executive direction of Quaker businesses in continental Europe to a senior advisory capacity with emphasis on longer-term development. He will remain on the boards of Quaker companies in the UK, France, Benelux, Italy, Scandinavia and Germany, and he will continue to be based in Brussels for the foreseeable future.

● **Dr Alfred Hartmann**, vice-chairman of F. HOFFMANN-LA ROCHE AND CIE, Basle, and until 1979 the company's managing director, has decided to resign from the Roche board for professional reasons. Dr Hartmann is currently general manager of the Rothschild Bank, Zurich. At the company's June 6 shareholders' meeting, **Dr Raymond Probst**, former Secretary of State in the Swiss Foreign Office, is to be nominated for election to the board with a view to becoming vice-chairman in place of Dr Hartmann.

● **Mr Claude I. Taylor** has been appointed full-time chairman of the board, and **Mr Pierre J. Jeanniot** becomes president and chief executive officer of AIR CANADA, from June 1.



FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alaska Housing 11¾ 94	100	89⅝	90⅛	−0½	−0½	13.66
American Savings 12 89	125	95⅜	96⅛	−0⅛	+0⅛	13.18
Australia Com. 11¼ 90	100	96⅜	96⅞	−0¼	+0⅛	12.06
Australia Com. 11½ 95	300	88⅜	88⅞	−0½	−0⅛	13.48
Australia Com. 11⅝ 98	100	87½	88	−0⅝	−0½	13.68
Australian I. Dv. 11 89	75	91⅜	91⅞	−0¼	0	13.48
Bank of Tokyo 11⅞ 90	100	90⅛	90⅝	−0⅜	−0⅛	14.18
Beneficial O/S F. 12 91	100	88¾	89¼	−0½	−0¼	14.65
Citicorp O/S 11¾ 99...	100	94	94½	−0½	−0⅜	12.61
DNC 11¾ 91 WW	50	†89½	90	−1	−1½	14.18
DNC 11¾ 91 XW	50	†89¼	89¾	0	−0⅛	14.25
Denmark Kgdm. 12 91	100	89¾	90⅛	−0⅛	+0⅛	14.37
Denmark Kgdm. 12¼ 93	100	90½	91	−0⅛	+0⅛	14.03
Digital Equip. 11¾ 89...	150	93⅝	94⅛	−0½	−0⅛	13.53
Dutch Mines 11⅝ 91 ...	150	87	87½	−2⅜	−2¾	14.41
EDC 11⅛ 89	150	91⅛	91⅝	−0½	−0⅛	13.68
EEC 12 93	50	91⅞	92⅜	−0⅜	−0½	13.48
EIB 11½ 90	200	89⅞	90⅜	−0¼	−0⅛	13.84
EIB 12½ 90	100	95	95½	−0¼	−0⅛	13.71
EIB 12⅞ 94	100	95½	96	−0⅛	−0⅜	13.67
Eksportfinans 11½ 90...	100	89¼	89¾	−0½	−0⅜	14.03
Eurofima 12½ 91	100	93¾	94¼	0	+0⅛	13.89
Gen. El. Cr. 11 91 WW	200	91⅝	92⅛	−0¼	+0¼	12.85
Gulf & Western 12⅛ 89	100	93¾	94¼	−0⅛	−0⅛	13.89
III 12 89	100	92¾	93¼	0	+0⅛	14.06
Ind. Bk. Japan 11½ 89	125	91	91½	−0⅜	−0⅛	14.10
Ind. Bk. Japan 11⅞ 91	100	89⅝	90⅛	−0⅜	−0⅛	14.11
Int. Ppr. O/S Fin. 12 91	75	94⅝	95⅛	−0½	−0⅜	13.16
ITT Finan. 11½ 89 WW	125	96⅛	96⅝	−0⅜	−0⅜	12.40
LTCB 11⅞ 89	100	91⅜	92¼	−0½	+0⅛	14.24
Macy O/S 11¾ 91	100	91¼	91¾	−0¼	+0⅜	13.74
Mitsui Trust Fin. 12 91	100	89¾	90¼	−0⅜	−0½	14.38
Montreal City 12½ 91...	70	94⅝	95⅛	−0⅜	−0½	13.68
Mrgn. Guaranty 12¼ 89	150	94	94½	−0½	−0½	13.92
Ned. Gasunie 11¼ 91...	75	88⅛	88⅝	−1½	+7¾	13.98
Newfndland Prov 13 91	75	100¼	100¾	−0⅜	−0⅛	12.87
Nippon Credit 11⅞ 90...	100	90	90½	−0½	+0¼	14.23
Nippon Tele. 11⅜ 90 ...	100	91⅝	92⅛	−0⅜	−0⅛	13.46
Nova Scotia Pr. 11¼ 91	100	89⅝	90⅛	−1½	−1⅜	14.15
Ontario Hydro 11⅝ 94...	200	87⅞	88⅜	−0⅜	+0⅜	13.90
PK Banken 12 90 WW	75	89⅞	90⅜	−0½	−0½	14.40
Prudential 10⅛ 93 XW	150	81¼	81¾	−0⅜	+0⅜	13.68
Quebec Hydro 11½ 92	100	*†92	92½	0	+0⅛	13.02
Quebec Prov. 12¼ 94...	150	94⅛	94⅝	−0⅛	−0⅜	13.28
Royal Bk. Can. 11½ 89	100	91	91½	−0⅛	−0⅛	14.12
Royal & Ind. Bk. 12 91	50	92⅜	92⅞	−0½	−0¼	13.77
Sears O/S Fin. 11½ 88	125	94	94½	−0⅛	0	13.22
Sears O/S Fin. 11⅝ 91	150	91½	92	−0⅛	+0⅛	13.54
S. Pac. O/S Fin. 11⅛ 89	75	*†89	89½	0	0	14.91
Sec. Pac. O/S F. 12 92	100	90½	91	−0⅛	+0⅛	14.00
SEK 11½ 89	100	91½	92	−0¼	+0⅞	13.97
Shearson/Amex 12⅛ 94	100	89⅞	90⅛	−0⅜	−0⅜	14.01
Statoil 12 88	100	95¾	96⅛	−0½	−0⅞	13.36
Sumitomo Fin. 12¾ 91	150	92¾	93¼	−0⅛	−0¼	14.40
Sweden Kingdm. 12⅜ 89	200	94⅞	95⅜	−0½	0	13.79
Texas Inst. Int. 11⅞ 91	150	91½	92	−0⅜	−0⅜	13.79
Tokai Asia 12¾ 91	100	91⅛	91⅝	−0½	0	14.30
World Bank 11⅜ 89 ...	200	92⅜	92⅞	+0⅛	+0¼	13.56
Yasuda T. & F. 12⅛ 89	100	93⅞	93⅜	−0¼	−0⅜	14.33

Average price changes... On day −0½ on week −0⅜

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Allied Chemical 7½ 94	125	98⅞	99⅜	0	+0⅛	7.60
Amca Ind. 8⅛ 91	100	100½	100⅞	−0⅛	0	8.08
ANAS 8½ 91	150	100	100⅜	−0⅛	−0⅛	8.41
Austria, Republic 7⅜ 94	200	97⅜	98⅛	−0¼	−0⅛	7.96
Baxter Travenol 7⅞ 94	200	97	97½	+0⅛	+0⅜	7.83
Credit National 8⅛ 94...	200	98½	99¼	+0¼	0	8.29
Degussa Int. Fin. 7½ 94	100	101⅛	101⅞	0	+1	7.27
EEC 8 92	200	98⅞	99⅜	0	+0½	8.12
EIB 8 91	250	98⅜	98⅞	−0⅛	+0¼	8.26
ESCOM 8 92	150	97⅞	98⅜	0	+0⅛	8.31
Ferrovie Dello St. 8 91	100	99⅛	99⅞	+0⅛	+0½	8.09
Finland Rep. 7½ 91 ...	150	96⅞	97⅜	0	+0⅛	7.91
Int. Standard Ele. 7⅜ 90	100	99¾	100	−0⅛	0	7.44
Megal Fin. 8¼ 94	150	99¾	100½	+0⅛	+0⅛	8.22
Mitsbshi H. 3½ 89 WW	300	98	98¾	−0½	+0⅜	3.87
Mitsbshi H. 3½ 89 XW	300	84¾	85½	+0⅛	0	7.24
Nippon Flr. 3½ 89 WW	30	94	95	−0½	−0½	4.80
Nippon Flour 3½ 89 XW	30	82⅜	83⅛	−0⅛	−0⅜	7.84
OKB 7½ 88	100	98⅞	99⅜	0	0	7.68
Pepsico O/S Fin. 7¼ 94	250	98	98⅜	−0⅛	0	7.48
Reynolds O/S F. 7⅜ 94	125	99	99¼	−0⅜	−0⅜	7.58
SNCF 8⅛ 93	100	99⅛	99⅞	0	+0⅜	8.19
Sth. Africa Rep. 8½ 91	200	99¾	100½	−0¾	−0⅞	8.46
World Bank 7¾ 89	100	99⅜	100⅛	+0⅛	+0⅛	7.77
World Bank 8 93	300	98⅜	99⅛	−0⅛	+0¼	8.14
World Bank 8 94	200	98⅞	99⅜	−0¼	+0¼	8.10

Average price changes... On day −0⅛ on week +0⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bank 6 94...	100	98½	99¾	0	−1	6.05
Australia Comm. 5⅞ 96	60	96½	96¾	−0¼	−0½	5.62
Austria Republic 5½ 94...	150	97¾	98	−0⅛	−0⅛	5.79
Cofiroute 7 94	80	103	103¼	0	+0½	6.55
Consul Press 6¼ 94 ...	200	98¾	99	0	−0¼	6.40
EIB 6⅝ 96	125	99½	99¾	0	−0½	6.79
Elec. Power Dev. 5⅜ 93	100	97	97¼	−0⅜	−1⅛	6.02
Finland Republic 5¾ 94	100	98¼	98½	−0¼	−0¼	5.97
Int-Am Dev Bank 6 96	100	99¼	99½	0	−0⅛	6.07
Japan Dev. Bank 5½ 94	100	97¼	97½	−0¼	−1	5.86
Japan Fin. Corp. 5½ 94	100	97¾	98	+0¼	−0¼	5.79
Kyushu Ele. Pwr. 5⅝ 92	100	100½	100¾	+0½	+0½	5.52
Lonrho Int. Fin. 6⅜ 94	100	100½	100¾	0	−0½	6.29
Nat. Aust. Bk. 5⅝ 94...	100	98	98¼	+0½	−0½	5.88
Newscorp 6⅛ 94	175	101¼	101½	+0¼	+0¼	6.05
Nippon Express 5⅞ 94...	100	96	96¼	−0¼	−1	6.42
Nippon Tel. & T. 5¾ 93	100	†100¼	100½	0	−0⅛	5.68
Nip. Yusen K. K. 6¾ 92	100	*†97½	97¾	−0⅛	−1¼	6.14
OKB 5¾ 92	100	100¼	100½	+0⅛	−0¼	5.69
Soc. Lux. Cnt. 5¾ 93...	100	99	99¼	−0¼	−0⅜	5.87
Spain Kingdom 6⅝ 92	100	101½	101¾	0	0	5.98
Sweden Kingdom 5¾ 94	125	99⅜	99⅝	+0⅛	−0⅛	5.82
Tohoku El. Pwr. 5⅜ 92	100	98	98¼	+0⅛	−1	6.05
Transcanada Pipe 5½ 92	100	98	98¼	0	0	5.80
World Bank 5¾ 94	200	98½	98¾	−0¼	+0¼	5.94

Average price changes... On day 0 on week −0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Asian Dev. Bk. 7⅛ 94	15	97¾	98½	−0⅛	−0¼	7.65
Eurofima 7⅜ 94	10	97⅝	98⅜	−0⅜	−1¼	7.69
Inc.-Am. Dv. Bk. 7⅞ 93	15	99⅜	99⅞	−0½	−0½	7.94
World Bank 7 94	20	94⅝	94⅞	−0⅜	−0⅜	7.80
World Bank 7⅝ 93	20	99¼	99¾	−0½	−0¼	7.69

Average price changes... On day −0½ on week −0⅜

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Br. Col. Hyd. 12 93 C$	125	93⅝	94⅛	−0⅛	0	13.13
Br. Col. Tel. 12¼ 99 C$	70	94½	94⅞	−0⅛	0	13.11
Canadn. Oc. 12⅜ 99 C$	60	†94¼	94¾	0	+0¼	13.22
EIB 12¼ 91 C$	80	†94⅜	95⅛	−0¼	−0⅜	13.20
Loblaw 12½ 90 C$	35	†91⅜	92⅛	−0⅜	−1	14.45
Montreal City 12 90 C$	50	†96⅝	97⅛	−0⅛	0	12.68
World Bank 12¾ 90 C$	75	†96⅛	96⅞	−0⅛	−0½	13.05
Austria Rep 10⅜ 93 ECU	100	†94½	95⅛	0	+0¼	11.[illegible]
GTE Fin. 10⅞ 92 ECU...	50	†96⅛	97¼	−0⅜	−0½	11.51
Amro Bank 8 89 Fl	200	98⅜	99⅛	+0⅛	−0¼	8.28
Bk Mees & H. 8¼ 89 Fl	100	99	99½	+0⅛	−0⅛	8.43
Electrolux 8 89 Fl	60	96	96½	−0¼	−0⅛	8.97
Int. Stand. El. 8½ 89 Fl	100	100⅞	101⅜	0	−0¼	8.19
PHP 8⅛ 89 Fl	75	98⅞	99⅜	+0⅛	−0½	8.46
Rabobank 8 89 Fl	150	98¼	98¾	0	0	8.38
OKB 14 86 FFr	400	100¾	101⅜	−0⅛	−0⅛	13.03
Solvay et C. 14¾ 86 FFr	200	101⅝	102⅛	−0¼	−0⅜	13.25
Air Canada 11¾ 94 £...	40	92¼	92¾	−0⅛	−0½	12.61
Commerzbank 11½ 90 £	25	98	98½	−1	−0⅜	11.88
CNCL Europe 11⅛ 92 £	50	93⅜	93⅞	−0½	−1¼	12.69
Denmark 10¾ 89 £	75	93¾	94¼	0	−0½	12.45
EEC 11⅜ 94 £	50	94	94½	+0⅛	−0⅜	12.40
EIB 10⅜ 92 £..............	50	91	91½	−0⅜	−0⅞	12.56
Finland Rep. 11⅞ 88 £	50	99¼	99¾	−0⅜	−0¼	11.99
Forsmarks 10⅝ 99 £ ...	40	93⅝	94⅛	+0⅛	−0¼	11.51
IBJ 11⅜ 95 £	30	96⅝	97⅛	−0⅜	−0⅜	12.11
III 10¾ 93 £	25	92½	93	−0⅜	−0⅛	12.05
Int. Stand. El. 11⅛ 89 £	50	97	97½	−0¼	+0⅛	11.89
Ireland 11⅜ 94 £	50	91½	92	−0¾	−0⅞	12.89
New Zealand 10⅝ 89 £	100	93¼	93¾	−0⅛	−1	12.45
SNCF 11¾ 94 £	60	93⅝	94⅛	−0⅜	+2⅛	12.34
World Bank 10⅝ 89 £...	100	94⅛	94⅝	+0⅛	−0⅛	12.17
Electrolux 10 89 LuxFr	500	98	99	0	+0⅛	10.39
CNCL Eur. 10¾ 93 LuxFr	600	99¾	100⅞	−0⅛	−0¼	10.79

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Arab Banking 5¼ 96 ...	0⅛	†98⅝	98⅞	15/9	10.81	10.98
BBL Int. 6 99	0¼	98⅞	98⅞	11/10	11.19	11.39
Banca Naz Lavor 5¼ 91	0¼	†98⅜	98⅝	26/10	11.44	11.63
Bank of Montreal 5 96	0⅛	99⅝	99⅞	27/10	11.19	11.24
Banque Indosuez 5¼ 99	0¼	98⅞	99⅛	21/9	11.06	11.17
Barclays O/S I. 5 2004	0⅛	97⅞	98⅛	2/9	10.56	10.78
BEG Fin. 5¼ 96	0⅛	99	99½	1/6	10⅛	10.45
Commerzbk 5⅛ 89 XW	0	99⅛	99⅜	21/8	11.19	11.26
Creditanstalt Bk. 5 96	0⅛	97¾	98	23/8	10½	10.73
Dai-Ichi Kangyo 5¼ 96	0⅛	98½	99	10/11	12⅛	12.28
Dresdner Fin. 5¼ 99...	0	99¼	99½	23/8	11⅝	11.70
EDF 5¼ 99	0⅛	98¼	98½	23/8	10.56	10.74
Ferrovie Stato. 5⅛ 99...	0⅛	98⅜	98⅝	31/9	10.69	10.82
Lloyds Euro. 5 2004 ...	§0⅛	98⅜	98½	18/10	11.31	11.50
Midland Int. Fin. 5 99...	§0⅛	98⅜	98⅝	6/9	10.56	10.75
Mitsui Finance 5⅛ 96...	0⅛	98½	99	1/9	10.56	10.70
Mort Bk Denmark 5¼ 99	§0⅛	99⅜	99½	11/8	11	11.07
Nat. West. Perp. 5 89...	0⅛	100⅛	100⅜	10/11	12.44	12.41
Noste Oy 5¼ 99	0⅛	98⅞	99⅛	23/8	10.56	10.67
Oster Land 5¼ 99	§0⅛	†97⅞	97¾	11/10	11.19	11.47
Queensland Coal 5⅜ 96	0¼	99¾	100	9/11	11⅛	11.64
Societe Gen. 5¼ 94 ...	0⅛	98¾	99	15/9	10.18	10.30
Spain 5⅛ 97	0¼	98	98¼	23/8	10.56	10.76
Sweden Kdom. 5⅛ 2024	0⅛	97⅝	97⅞	22/9	11.19	11.45
Takugin 5¼ 94	§0⅛	98¼	98¾	15/9	10⅞	10.91

Average price changes... On day 0 on week 0

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 3 99	4/84	1159	89⅜	90⅜	−4⅜	−4.86
BBC Bwn Boweri 4⅛ 95	2/84	106	†94½	96	0	1.57
Daiwa Sec. Co. 5½ 98...	10/83	481.8	*†121	122½	+4¼	−2.57
Fanuc 3¾ 98	1/84	9142	123¼	124¼	−6⅜	26.60
Fujitsu 3 99	5/84	1320	92⅞	93⅞	−4⅜	5.90
Honda Motor 5¼ 98 ...	6/83	884	124⅞	125⅞	−4⅛	−4.54
Konishiroku Ph. 4 98...	10/83	673	87⅜	88⅜	−1¾	−2.48
Kyowa Hakko 6½ 97...	2/83	762	113½	114½	−3	1.15
Minebea Co 5½ 98......	5/83	667	107	108	−4⅛	−4.77
Mitsubishi Elec. 5⅜ 98	6/83	396	100⅜	101⅜	−3⅜	−3.11
Mitsubishi Heavy 4⅜ 99	1/84	253	94⅞	95⅞	−1⅞	−0.78
Murata 3½ 99	2/84	2939	101½	102½	−5½	34.88
Nippon Oil Co. 3¼ 99...	3/84	1052	105⅛	106⅛	−3⅞	−2.14
Nippon Oil Co. 5½ 98...	4/83	964	117⅜	118⅜	−4⅞	−1.38
Nissan Motor 5⅜ 98 ...	4/83	700	100	101	−1⅞	8.67
Ono Pharm. Co. 3¼ 98	3/84	9480	126	128	−9⅞	6.26
Orient Leasing 5¼ 98...	6/83	2680	124¾	125¾	−3⅜	−2.97
Secom 5 98	11/83	2920	167⅝	169⅝	−1⅛	−1.88
Sumitomo Corp. 2⅞ 99	5/84	693	87⅜	88⅜	−1⅛	3.95
Yamaichi Sec. Co. 5 98	8/83	449.5	†126½	128	−0⅜	−3.79
Yamanouchi Ph. 4 90...	10/83	1808	99⅞	100⅞	−2⅛	18.85
Nippon Oil 2⅛ 92 SwFr	3/84	1052	109	111	−0⅞	−1.09
Nippon Shin 2 92 Sw Fr	3/84	801	94½	95½	+0⅛	33.68
Settsu Ppr. 2¼ 92 SwFr	4/84	677	121½	123½	−1	−2.59
Asics 5 92 DM	12/83	520	103½	104½	−0½	22.86
Sum Realty 6⅛ 92 DM	2/83	365	151⅞	152⅞	−7¼	−8.58

EUROBOND TURNOVER

(nominal value in $m)

	Cedel	Euro-clear
U.S. $ bonds		
Last week ...	11,336.5	14,318.2
Previous week	8,654.0	17,113.2
Other bonds		
Last week ...	1,765.7	2,011.4
Previous week	1,724.6	1,732.3

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = The current coupon. C.yld = The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Kredietbank NV; Credit Commercial de France; Credit Lyonnais; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Generale du Luxembourg SA; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bank of Tokyo International; Blyth, Eastman, Paine, Webber International; Chase Manhattan; Citicorp International Bank; Credit Commercial de France (Securities) London; Daiwa Europe NV; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Merrill Lynch; Morgan Stanley International; Nomura International; Orion Royal Bank; Robert Fleming and Co.; Samuel Montagu and Co.; Scandinavian Bank; Societe Generale Strauss Turnbull; Sumitomo Finance International; S. G. Warburg and Co.; Swiss Bank Corporation International; Wood Gundy.

Closing prices on May 25

Nordic building materials groups to join forces

BY KEVIN DONE. NORDIC CORRESPONDENT IN STOCKHOLM

EUROC of Sweden and Norcem *of Norway, two of* the *largest* building materials groups in the Nordic region, are joining forces in order to improve their competitiveness in international markets.

In deals worth more than SKr 300m ($37.3m) in total the two companies are acquiring substantial minority shareholdings in each other, and each will have representation on the other's main board.

Euroc is to pay NKr 119m to purchase 426,500 new shares in Norcem giving it a holding of 15 per cent.

At the same time Euroc is to issue 510,000 new shares to Norcem for SKr 173m giving the Norwegian company a holding of 13 per cent. The stake *is later to be expanded to 15* per cent.

Mr Sven Borelius, Euroc's chief executive, said the deal represented one of the most comprehensive industrial co-operation agreements made between Norwegian and Swedish companies.

"The co-operation is aimed above all at new international projects such as cement terminals and production plants and the development of new products *for the* construction market," he said.

Both companies are aiming to increase their international *trading activities* through the co-operation and the deal will also bring Euroc closer to the Norwegian offshore oil and gas *industry*.

Norcem is already a small shareholder in the Norwegian oil companies Saga and NOCO (Norwegian Oil Consortium) and it recently acquired a 25 per cent stake in the Norwegian Aker group, which specialises in offshore fabrication.

Euroc, which is also in engineering and trading, still gains more than 50 per cent of its SKr 4.7bn turnover from building materials. It is the only cement producer in Sweden, as is Norcem in Norway. Norcem derives around *two-thirds of its NKr 3.4bn* turnover from building materials and is one of Norway's biggest industrial concerns.

Volvo unit blames consultants

BY DAVID BROWN IN STOCKHOLM

SCANDINAVIAN Trading Corporation, the troubled oil trading, and oil and gas producing unit of Volvo, has blamed the huge over-valuation of oil and gas properties in its Scandrill unit on major miscalculations by consultants.

Scandrill has been transferred to Bankers Trust Company of the U.S., which held the oil and gas properties as collateral against a $105m loan. STC will *withdraw from* oil production and become a strictly trading operation.

Volvo has already made a provision in its 1983 balance sheet of some SKr 500m ($62m) to cover its agreement to underwrite the Scandrill disposal.

The over valuation of Scandrill's assets cost STC SKr 703m. It ran up further losses of SKr 740m last year in its trading operations, it was stated

Volvo, which has an 81 per cent stake in the company, has been forced to pump in some SKr 760m in new equity in the past year to ensure STC's credit-worthiness. The affair has been an embarrassment at a time when the motor group's profits have otherwise developed very positively.

As expected, over half the STC board has been replaced and the *number of Volvo representatives* increased.

The company made a pre-tax profit of SKr 35m during the first quarter this year on turnover of SKr 6.9bn and is on the road to recovery, said Mr Jan Danielson, STC's managing director.

STC is also moving ahead with plans to launch its profitable finance subsidiary on the stock market, he said.

EIB announces terms of record bond issue

By Walter Ellis in Amsterdam

THE European Investment Bank (EIB) yesterday announced the terms of a record Fl300m bond issue that is expected to give a considerable boost to the faltering Dutch bond market.

The 10-year issue, lead-managed by Amsterdam-Rotterdam Bank, with Algemene Bank Nederland as co-lead manager, *has a coupon of 8.75 per cent*—0.25 points higher than a state loan earlier this month—and has been priced at 99½ to yield 8.84 per cent.

Italcementi net earnings show advance of 75%

BY ALAN FRIEDMAN IN MILAN

ITALCEMENTI, the cement company controlled by Sig Carlo Pesenti, has reported a 1983 net profit of L21bn ($12.4m), up 75 per cent on the previous year.

Sig Pesenti is the 77-year-old Monte Carlo-based financier who is currently under investigation by Milan magistrates along with Archbishop Paul Marcinkus, chairman of the Vatican Bank. The two men are being investigated for possible illegalities in connection with a L50bn loan made by the Vatican Bank in 1972 to Sig Pesenti's Italmobiliare holding company. Italmobiliare controls Italcementi, among other companies.

The cement company recorded a 1983 turnover of L910bn, up from L869bn the year before. Italcementi's 1983 investments were reported to be L60bn. against L56bn in 1982.

Sig Pesenti, who was the largest single shareholder of the now collapsed Banco Ambrosiano, is understood to be considering the sale of his last major bank holding—Banca Provinciale Lombarda.

Steinberg expected to raise stake in Disney

By Our New York Staff

THE STRUGGLE for control of Walt Disney Productions is likely to come to a head today when Mr Saul Steinberg is expected to launch his long-awaited move to increase his stake in the film and entertainment group.

Wall Street believes that the Marriott hotel chain is considering joining Mr Steinberg in a bid for 49 per cent of the Disney equity, which would cost about $900m. The stock market expects a bid of between $70 and $73 a share for the Disney stock, which closed ahead of the *Memorial Day weekend* at $67¾ after a day of heavy trading.

Mr Steinberg's private company, Reliance Holdings, already has 12.2 per cent of the Disney common stock and last week received clearance from the Federal Trade Commission *to* increase the stake to 49.9 per cent. Still in doubt, however, is whether Mr Steinberg would settle for 49.9 per cent or use this as a base for a full bid.

In a move to thwart any unwanted takeover, the Disney board agreed a week ago to link up with *the Bass brothers of* Texas, by purchasing for $200m Arvida, their private, family-controlled company, which has substantial land holdings in Florida.

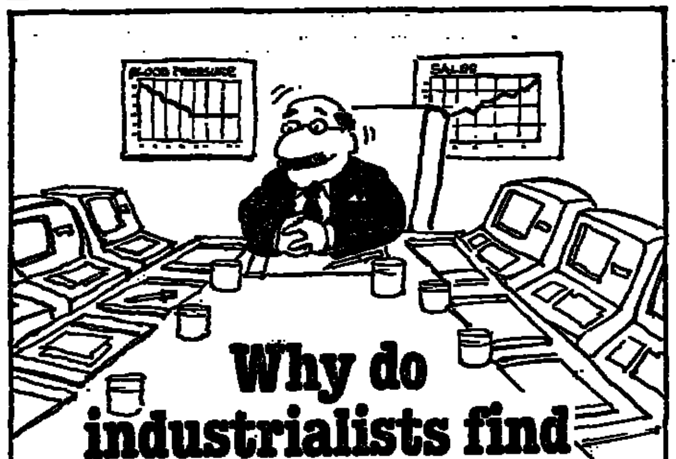
Group given 60 days to bid for MGIC

By Terry Byland in New York

A MANAGEMENT group which is considering making a buyout offer for MGIC Investment, the mortgage insurance subsidiary of Baldwin-United, is believed to have been granted 60 days to put together its proposal before a Masters Commission of the Arkansas and Indiana courts rules on any rival offer.

Baldwin, which filed under Chapter 11 of the federal bankruptcy code last September, paid $1.2bn for MGIC.

Mr Victor Palmieri, chairman of Baldwin, said the Milwaukee-based group would seek "at least $1bn" for MGIC. Ford Motor Credit, the financing subsidiary of the Detroit motor group, denied rumours that it has offered $900m.



UK COMPANY NEWS

Simon Eng. sees further progress

PROVIDED THERE are no undue delays on large contracts, 1984 should produce a further improvement in the trading performance of Simon Engineering, says the chairman Mr Harry Harrison.

Economic recovery will gradually present more opportunities to group companies, and "their performance recorded during the recession clearly suggests that they will be able to take advantage of them," he claims.

The recent UK budget should help to improve competitiveness but time will be needed to judge how far it will stimulate investment and exports.

At the end of 1983, cash balances were a "healthy" £59m and the balance sheet remains strong, "giving ample support to our plans for further expansion," the chairman tells shareholders.

He points out, however, that a proportion of these funds represents prepayment on long-term contracts which cannot be committed to long-term investment.

In the year, the group turned in a turnover of £376.15m (£362.57m) and a pre-tax profit of £21.72m (£20.66m). The dividend is 14p (13.25p) net.

Mr Harrison says the contribution of the process plant contracting group again showed a substantial increase, resulting from an outstanding performance by its Australian subsidiary and from profits accruing on the completion of certain major contracts.

Certain rationalisations have to be carried out. Operations of Simon-Carves of Canada have been run down and the local offices closed; Allen and Garcia Company (coal preparation plant in the U.S.) has ceased trading and a phased rundown is in hand, to be completed by mid-1984.

Some of the UK activities of the poultry and meat division were discontinued. That involved a complete restructuring of the UK operations, while in the U.S., following rationalisation, Simon-Johnson Inc is developing strongly.

Simon - Croftshaw (solvent recovery plant) is being disposed of, and a suitable provision has been made to cover the costs.

Ordinary holders' funds have fallen to £89m after writing off £21m in respect of the premiums on acquisitions made during the year, offset by the premium of £9m on the related issue of ordinary shares.

11% rise for Radio Clyde in first half

In its first announcement of results since coming to the USM last February, Radio Clyde, the Glasgow-based commercial radio station, has reported a 10.9 per cent increase in taxable profits, up from £319,229 to £354,050, in the half year to March 31.

There will be an unchanged interim dividend of 1.25p. The total last time was 3p.

The result was struck on turnover which increased from £2.12m to £2.32m and is stated after deducting an assumed liability to IBA secondary rental and to Exchequer levy.

The improved turnover was due to a 17.76 per cent increase in advertising revenue offset by a reduction in revenue to Clyde Electronics. This subsidiary is being closely monitored after a £45,853 loss.

The tax bill showed little change at £168,000 against £166,000, and an extraordinary debit of £78,000 related to the cost of joining the USM and a provision against leasing costs. Earnings per share were up from 2.72p to 3.28p.

The directors state that it would not be prudent to predict results for the year as a whole at this stage.

Coats Patons' world sales 10% ahead at four months

AT THE AGM of Coats Patons, Mr W. D. Coats, the chairman, said that world sales for the first four months of the year were 10 per cent above those for 1983 and in line with budgets.

In the U.S. home sewing products and hand knittings had been weak, but die-casting had been strong, as had all its precision engineering operations in other parts of the world.

Overall results had been in line with expectations and the board remained confident that 1984 would show continued improvement in the company's business, he said.

Mr J. Michael Pickard, the chairman of Grattan said at the annual meeting that the accounts showed a significant recovery from the position twelve months ago.

He added: "We are proceeding with the modernisation of our business and we expect a satisfactory return to profit for the spring/summer season.

John Menzies had started the year well with turnover for the first 13 weeks showing an increase of 13 per cent and sales in the retail division had proved particularly buoyant, Mr J. M. Menzies, charman, said at the agm.

He added that the company again expected trading in the first half year to show further benefit from the change in seasonality of the group's business. This, he said, confirmed expectations of a further increase in group profits for the current year.

At the Weir Group agm the chairman Viscount Weir said the company's largest subsidiary, Weir Pumps, experienced a strike lasting more than four weeks in March and April which, he pointed out, clearly would have had an adverse effect on first-half profits.

Accordingly, he said, the interim dividend was likely to be affected by the same considerations as applied last year. However, he still stood by his original view that there was the prospect of some improvement in profit for the full year.

Shareholders at the Fogarty annual meeting were told by Mr C. R. W. Fleet, the chairman, that sales of household textiles continued not to reflect the general buoyancy of retail sales. However, given the normal seasonal upturn in the second half he was hopeful of a satisfactory outcome for the year.

Mr Ken Rohan, chairman of the Rohan Group, said at the AGM: "I am happy to emphasise that your group is well positioned in terms of financial strength and management on the ground to capitalise on opportunities as they are occurring in the market place.

Wm Morrison Supermarkets' chairman, Mr K. D. Morrison, told members at the annual meeting that sales for the first quarter of the current financial year were showing an increase in excess of 20 per cent. This, he said, after allowing for inflation, "reflects a reasonable volume gain through existing stores and a healthy contribution from our new ones."

Mr John Redgrave, chairman of Walter Lawrence, said at the AGM: "After three months management accounts the group's order books are still satisfactory. We are encouraged by house sales and by the performance of our manufacturing division and are therefore confident of another satisfactory outcome to the year."

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purposes of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims—City Site Estates, Edinburgh *Financial* Trust, *Hardanger* Properties, Leisuretime International, Pyke Holdings, Union Steel Corporation (of South Africa).

Finals—Aitken Hume, Allied-Lyons, Anglo-Indonesian Corporation, Audiotronic, Capital and Counties, Cobra Emerald *Mines*, Consolidated Murchison, Courtaulds, Eastern Transvaal Consolidated Mines, FKI Electricals, Globe Investment Trust, Hartebeestfontein Gold Mining, Inchcape, Maurice James, Rembia Rubber, Southwest Resources, Zandpan Gold Mining.

FUTURE DATES

Interims—

French (Thomas)	June 7
Keystone Investment	June 6
Tomkinsons	June 8
Trident Television	June 5

Finals—

Airflow Streamlines	June 4
Associated Heat Services	June 14
De La Rue	June 5
Elswick-Hopper	June 7
Freshbake Foods	May 31
Investment Co.	May 30
Lanca	June 1
Sketchley	June 6
Somic	June 8

FT Share Information

The following securities have been added to the FT Share Information Service:

Consolidated Venture Trust Warrants 120 (Section Investment Trusts)

English and International Trust Warrants (Investment Trusts)

First Leisure Corporation (Leisure)

Havelock Europa (Industrials)

Nationwide Building Society 9¼pc 15/4/85 (Loans—Building Societies)

Rivlin (I. D. and S.) Holdings (Industrials)

Tod (W. and J.) (Industrials)

BASE LENDING RATES

Bank	Rate
A.B.N. Bank	9 %
Allied Irish Bank	9¼%
Amro Bank	9 %
Henry Ansbacher	9¼%
Associates Cap. Corp.	9 %
Banco de Bilbao	9¼%
Bank Hapoalim BM	9 %
BCCI	9¼%
Bank of Ireland	9¼%
Bank of Cyprus	9¼%
Bank of India	9¼%
Bank of Scotland	9¼%
Banque Belge Ltd.	9¼%
Barclays Bank	9¼%
Beneficial Trust Ltd.	10 %
Bremar Holdings Ltd.	9 %
Brit. Bank of Mid. East	9 %
■ Brown Shipley	9¼%
CL Bank Nederland	9 %
Canada Permn't Trust	9 %
Castle Court Trust Ltd.	9¼%
Cayzer Ltd.	9¼%
Cedar Holdings	9 %
■ Charterhouse Japhet	9¼%
Choulartons	10¼%
Citibank NA	9¼%
Citibank Savings ¶	9¾%
Clydesdale Bank	9¼%
C. E. Coates	10¼%
Comm. Bk. N. East	9¼%
Consolidated Credits	9¼%
Co-operative Bank *	9 %
The Cyprus Popular Bk	9¼%
Dunbar & Co. Ltd.	9¼%
Duncan Lawrie	9¼%
E. T. Trust	9¼%
Exeter Trust Ltd.	10¼%
First Nat. Fin. Corp.	11 %
First Nat. Secs. Ltd.	9¼%
Robert Fraser	10 %
Grindlays Bank ‡	9 %
■ Guinness Mahon	9 %
■ Hambros Bank	9¼%
Heritable & Gen Trust	9¼%
■ Hill Samuel §	9¼%
C. Hoare & Co. †	9 %
Hongkong & Shanghai	9 %
Kingsnorth Trust Ltd	10 %
Knowsley & Co. Ltd.	9¾%
Lloyds Bank	9 %
Mallinhall Limited	9 %
Edward Manson & Co.	10¼%
Meghraj and Sons Ltd.	9¼%
Midland Bank	9¼%
■ Morgan Grenfell	9 %
National Bk. of Kuwait	9 %
National Girobank	9 %
National Westminster	9 %
Norwich Gen. Tst.	9¼%
People's Tst. & Sv. Ltd.	10 %
R. Raphael & Sons	9 %
P. S. Refson & Co.	9¼%
Roxburghe Guarantee	9¼%
Royal Trust Co. Canada	9¼%
■ J Henry Schroder Wagg	9 %
Standard Chartered ‖	9¼%
Trade Dev. Bank	9¼%
TCB	9 %
Trustee Savings Bank	9 %
United Bank of Kuwait	9 %
United Mizrahi Bank	9 %
Volkskas Limited	9¼%
Westpac Banking Corp	9 %
Whiteaway Laidlaw	9¾%
Williams & Glyn's	9¼%
Wintrust Secs. Ltd.	9¼%
Yorkshire Bank	9 %

■ Member of the Accepting Houses Committee.

* 7-day deposits 5.75%. 1-month 6.50%. Fixed rate 12 months £2,500 8.5% £10,000. 12 months 9%.

† 7-day deposits on sums of under £10,000 6%. £10,000 up to £50,000 6¾%. £50,000 and over 7½%.

‡ Call deposits £1,000 and over 5¾%.

‖ 21-day deposits over £1,000 7%.

§ Demand deposits 5¾%.

¶ Mortgage base rate.

COMPANY NEWS IN BRIEF

Revenue before tax of **Nineteen Twenty-Eight Investment Trust** for the year to March 31, 1984 advanced from £3.16m to £3.33m.

After tax of £1.26m (£1.2m) the net balance emerged at £2.07m (£1.96m) for earnings of 5.67p (5.36p) per 25p share, and the final dividend is 3.5p net for a 5.5p (5.2p) total at a cost of £2m (£1.9m). The net asset value per share rose from 157.5p to 179p over the 12 months.

* * *

Taxable profits of **Western Dooars Tea Holdings** for 1983 showed little change at £53,325 against £54,196, and the dividend is being held at 4p net.

Profits after tax were down from £33,066 to £20,654, while earnings per £1 share showed a decline from 2.3p to 0.83p. There was an extraordinary debit of £3,675 this time.

Following the requirements of the new Companies' Act and SSAP 20, profits before tax are shown so as to exclude any adjustments made on currency fluctuation, as these are now credited to profit and loss account reserve direct. Comparative results have been revised, reducing profit on ordinary activities by £100,893.

* * *

Pre-tax profits of **Assam-Dooars Holdings** totalled £182,000 for 1983, against £161,000 previously.

The net result was lower at £108,000 (£124,000) and earnings per £1 share fell to 6.27p (11.56p). However, the net interim dividend is unchanged at 6p.

Below the line there was extraordinary debit this time of £37,000.

* * *

In its first figures since joining the Unlisted Securities Market, **John Kent**, menswear retailer, reports pre-tax profits virtually unchanged at £330,000, compared with £320,000, for the 26 weeks to November 26 1983.

The company was a wholly-owned subsidiary of Amber Day during the six months under review, but in February this year, Amber Day placed 71.5 per cent of the company's share capital on the USM.

Trading conditions are improving and the directors are confident that pre-tax profits for the year to May 26 will be in excess of the £570,000 achieved in the previous year.

No interim dividend is being paid, but the directors intend to recommend a final of 0.8p net.

First half turnover improved from £4.73m to £4.88m. Tax was £165,000 against £166,000, and earnings per share were up from 1.54p to 1.65p.

* * *

Isle of Man Enterprises, an operator of holiday accommodation, incurred taxable losses of £50,372, against £52,026, in the six months to April 30, 1984.

There is against no tax. Loss per 20p ordinary amounted to 4.16p (4.29p).

FINANCIAL TIMES STOCK INDICES

	May 25	May 24	May 23	May 22	May 21	May 18	1984 High	1984 Low	Since Compilatn High	Since Compilatn Low
Government Secs.	78.15	78.11	79.27	79.30	79.73	79.60	83.77	78.11	127.4	49.18
Fixed Interest	82.56	83.22	84.03	84.19	84.60	84.57	87.48	82.56	150.4	50.53
Industrial Ord	827.9	826.4	847.6	856.5	876.2	874.4	922.8	770.3	922.8	49.4
Gold Mines	663.5	633.7	642.8	655.2	662.4	637.8	711.7	620.2	734.7	43.5
FT-Act. All-Share	495.29	496.61	505.80	511.07	520.86	519.79	536.71	470.05	536.71	61.92
FT-SE 100	1055.5	1061.6	1075.4	1084.6	1108.7	1104.9	1141.6	997.5	1141.6	997.5

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price	+ or −	Net Div.	Times covered	Gross Yield	P.E. Ratio
270	100	10/8	105	63	Assoc Brit Ports	69	+2	8.5	2.0	5.1	9.0
100	66	3/11	67	64	BaillieGiffordTechngy	63	−1	—	—	—	—
915	F.P.	15/6	£11	£10	Biotechnology Invs 2c	£10¼	−⅛	FQ10c	—	0.7	—
§95	F.P.	10/5	210	145	✠Body Shop 5p	160	−15	b1.8	2.3	1.6	41.0
§140	F.P.	15/6	175	160	✠Brikat 5p	160	−5	bg3.0	3.1	1.8	25.1
**	F.P.	—	39	12½	✠Cluff Oil Warrants	34	...	—	—	—	—
130	F.P.	12/6	147½	125	Comcap 5p	125	−10	gd1.5	5.7	1.7	17.5
§43	F.P.	22/6	45	41	Delaney Group 10p	42	......	u2.2	3.2	7.5	7.3
†US$5	40%	19/6	24	18	Fledgeling Japan 1c	21	−1	—	—	—	—
†—	F.P.	19/6	26	16	Do. Warrants	16	−1	—	—	—	—
135	F.P.	15/6	170	148	Greggs 20p	148	−4	u3.4	2.7	3.3	12.8
§130	F.P.	11/5	158	140	✠MeadowF'mProd10p	142	−1	bg3.65	2.7	3.7	11.5
190	F.P.	—	200	180	✠Microvitec 5p	190	......	ug1.25	5.0	0.9	38.0
§10	F.P.	22/6	18	15	✠Morris(W.)FineA10p	18	−½	bg0.25	4.0	2.4	13.7
§52	F.P.	27/4	80	57	OspreyCommunic'tns	62	......	N1.0	—	2.3	—
§60	F.P.	25/5	104	98	✠Pantherella	98	−2	n3.3	3.5	4.8	11.9
80	F.P.	—	86	78	✠Petrogen Pet. Inc.	85	−1	—	—	—	—
§63½	F.P.	18/5	80	60	✠Plan Invest. 10p	60	......	u1.1	3.6	2.6	15.2
‖	F.P.	—	278	247	Plantation & Gen Invs	247	−5	4.0	3.1	2.3	18.4
§70	F.P.	26/5	104	90	✠Ramco Oil Ser's10p	101	−1	u0.7	5.5	1.0	20.2
70	F.P.	15/6	72	62	SPRAIT 50p	62	−2	Qb3.5	—	5.7	—
50	F.P.	15/6	56	43	Do. Warrants	43	......	—	—	—	—
120	F.P.	15/6	122	116	Do. Cum Pt. Prf.	116	......	Q9%	—	7.8	—
§110	F.P.	15/6	128	114	✠Stat - Plus 5p	114	−1	u1.8	3.3	2.3	17.8
§110	F.P.	—	140	130	✠SteelBurrillJones10p	130	......	b4.9	2.3	5.4	11.6
95	F.P.	22/6	110	100	✠Sutherland (E.T.)	103	−2	u3.35	—	4.6	10.5
—	F.P.	—	42	33	Utd. Biscuits Warr'nts	33	−1	—	—	—	—
¶285	F.P.	8/6	320	297	Wordplex 50p	297	−3	H1.7	—	0.8	12.9

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price £	+ or −
98.19	£25	27/7	25⅞	22	Border & S'thern 11½% Deb. Stk. 2014	22	−½
§100	F.P.	8/6	106	101	Brittannia Arrow 9%Cnv.Uns.Ln. 95-2000	101	−5
97.072	£35	1/7	28⅝	23	Brixton Est. 11¼pc 1st Mort. Deb. 2023	23	......
96.764	£25	—	24¼	21⅛	EDF 11¼% Ln. 2009/12	21½	−¾
98.043	£30	26/6	30⅛	24¾	Finland 11½% Ln. 2009	24¾	−⅜
99.714	F.P.	26/4	105⅜	96	Int. Bk. for Rec. & Dev. 11.5% Ln. 2003	96	......
§95.711	£25	15/6	27¼	20¾	MEPC 10¾pc 1st. Mort. Deb. 2024	20¾	−¼
—	F.P.	—	100	99⅜	Nationwide 9⅛% 7/5/85	99⅜	......
§97.80	£25	12/7	30½	23¾	Province de Quebec 12¼% Ln. 2020	23¾	−⅜
98.641	£30	7/8	30	26¾	Trinidad & Tobago 12¼% Ln. 2009	26¾	−⅛

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date	1984 High	1984 Low	Stock	Closing price	+ or −
85	Nil	28/6	10pm	6½pm	Amstrad 5p	6½pm	−1½
Ir.350	Nil	—	22pm	5pm	Bank of Ireland £1	5pm	−3
260	F.P.	24/5	327	300	Bank of Scotland £1	317	
A$7.5	A$4	2/5	542	400	Broken Hill Prop. A$2	400	−24
70	F.P.	15/6	87	78	Brown Boveri Kent	82	−2
10	F.P.	24/5	13	10½	Ferguson (James) 10p	10½	−½
68	F.P.	29/5	78	72	Fisher (A) 5p	73	...
R27	F.P.	18/5	£17⅛	£15¼	Gencor 40c	£15½	.....
62	F.P.	17/6	64½	58½	Holt Lloyd Intnl. 10p	60	...
26	F.P.	7/6	29	25	✠Intervision Video 10p	25	...
38	F.P.	25/5	61	49	Manganese Bronze	49	−2
6	Nil	11/5	19pm	12pm	Norfolk Cap. 5p	19pm	...
4	F.P.	21/5	8	6	Norton (W.E.) 1p	7	
A$4	Nil	—	120pm	105pm	Santos A0.25c	106pm	−2
135	F.P.	21/5	165	150	Scottish TV 'A' 10p	150	−4
20	F.P.	23/5	23	21	Wace Group 20p	21	...
84	F.P.	26/6	139	118	Websters 5p	118	...
68	F.P.	18/5	90	85	Whatlings	85	
117	F.P.	23/5	167	134	Williams Hldgs	160	2

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *d* Dividend rate paid or payable on part of capital; cover based on dividend on full capital. *g* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings C Canadian F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ■ Allotment letters (or fully-paid). ‖‖ Introduction. ✠ Unlisted Securities Market. § Placing price. †† Official London Listing. ‡ No par value.

BIDS AND DEALS IN BRIEF

A bid for **Albert Martin Holdings**, a Marks & Spencer textile supplier, lapsed on Friday after Wilson & Co accumulated holdings and acceptances totalling only 5.09 per cent of the company.

Martin had rejected the 42p per share bid from Wilson, a holding company for the Jefferson group of textile import and knitwear manufacturing businesses. Martin shares lost 3p yesterday to 51½p, valuing the company at £4.34m.

Wilson had acquired 4.98 per cent of Martin before commencing its offer and received acceptances covering 0.11 per cent.

* * *

On May 24, S. G. Warburg & Co., as an associate of **Mercantile House Holdings**, sold on behalf of a discretionary investment client 10,159 ordinary 25p shares of Mercantile, at 308p.

* * *

The proposal to dispose of the wicker wire products division of **Woodhouse and Rixson**, as referred to in the Press announcement of May 10 and in the accounts dated May 24, will not now be taking place.

The board has, however, received another offer of £62,000 in cash which it has accepted and which does not require shareholders' approval.

Accordingly resolution seven will not be put to the AGM to be held on June 19. Completion is expected to take place by the AGM.

* * *

Acceptances for the cash offer from **Lathamstone** for **New Equipment** shares, as at May 18, was 702,144 or 35.1 per cent.

The Corner family agreed to exchange all their 1.29m New Equipment shares (64.55 per cent) for Lathamstone shares.

Lathamstone have now acquired or agreed to acquire a total of 99.66 per cent of New Equipment (1.99m shares). The offer is now closed.

* * *

Cookson Group has reached agreement to acquire 50 per cent of **Advance Offset Plate** of Holyoke, Massachusetts, through Cookson America, a wholly-owned subsidiary.

Cookson has agreed option arrangements to acquire the remaining 50 per cent in September 1986.

Advance has annual sales of some $30m and is the largest supplier of wipe-on lithographic plates with approximately 25 per cent of the U.S. market.

PENDING DIVIDENDS

Dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements except where the forthcoming board meetings (indicated thus*) have been officially notified. Dividends to be declared will not necessarily be at the amounts in the column headed "Announcement last year."

	Date	Announcement last year
*Aitken Hume	May 29	Final 2.75
*Allied-Lyons	May 29	Final due
Amersham Intl.	July 4	Final 2.1
*Anglo American Corp SA	June 4	Final 75c
Argyll Foods	June 21	Final 2.5
*Avana	June 29	Final 4.5
BPB Inds	June 29	Final 7.0
Baker Perkins	June 23	Final 3
Beecham	June 2	Final 5.0
Berisford (S. & W.)	June 20	Interim 3
British & Comm. Shipping	June 16	Final 8.5
Burnett & Hallamshire	June 23	Final 9.5
Cable and Wireless	June 13	Final 5.0
*Capital and Counties	May 29	Final 3
Carless Capel	June 10	Final 1.75
*Charter Cons.	June 27	Final 7.25
*Chloride	June 15	Final nil
Chubb	June 22	Final 4.00
*Coalite	May 30	Final 3.5
*Courtaulds	May 29	Final 2.25
Crest Nicholson	June 22	Interim 1.25
*Dawson Intl.	June 21	Final 4.3
*De La Rue	June 5	Final 16.3
*Electronic Rentals	June 7	Final 2.068
Elliott (B.)	June 9	Final nil
*English China Clays	June 14	Interim 3.25
*Ferguson Indl	June 12	Final 3.5
Ferranti	June 23	Final 3.7
Fitch Lovell	July 7	Final 5.83
GEC	July 7	Final 2.0
*Great Portland Estates	June 8	Final 4.0
*Guinness (A.)	June 12	Interim 1.056
*Habitat Mothercare	May 31	Final 4.0
Hambros	June 21	Final 37.5
*Hanson Trust	June 5	Interim 2.0
*Harrison and Crosfield	May 30	Final 23.5
Hickson Intl	June 2	Interim 3.0
Hill Samuel	June 8	Final 6.3
IC Gas	July 5	Final 7.6
*Inchcape	May 29	Final 11.0
Intasun	July 5	Final 2.6
Intl Signal	June 14	Final due
*Johnson Firth Brown	June 6	Interim nil
Johnson Matthey	June 15	Final 7.0
Kenning Motor	June 14	Interim 2.5
LRC Intl	June 27	Final 2.2
London O'seas Freighters	June 17	Final nil
*MK Elec	June 28	Final 5.25
*MEPC	May 30	Interim 2.0
*McCorquodale	June 5	Interim 3.75
*Metal Box	June 12	Final 6.51
*Meyer Intl	June 19	Final 2.25
Norcros	July 4	Final 4.24
*Northern Foods	June 20	Interim 2.25
*Pauls and Whites	June 14	Final 5.5
Pegler-Hattersley	June 8	Final 7.85
*Pilkington Bros	June 13	Final 5.5
Powell Duffryn	June 22	Final 9.55
Premier Cons	June 14	Interim 10%‡
Racal Elec	June 22	Final 4.114
Redland	June 23	Final 5.14
*Reed Intl	June 5	Final 10.0
SGB	July 4	Interim 2.3
Scottish and Nwcstle Brws	June 29	Final 3.163
*600 Group	June 7	Final due
*Sketchley	June 6	Final 2.4
*Smith Bros	May 30	Final 2.0
Staveley Inds	June 16	Final 8.5
*Tate & Lyle	May 30	Interim 4.5
Tesco	June 15	Final 2.25
Tozer Kemsley	June 15	Final nil
*Trident TV	June 5	Interim 1.5
Trusthouse Forte	June 23	Interim 2
Unigate	July 7	Final 4.3
Wedgwood	June 21	Final 2.875
*Westland	June 13	Interim 1.0

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

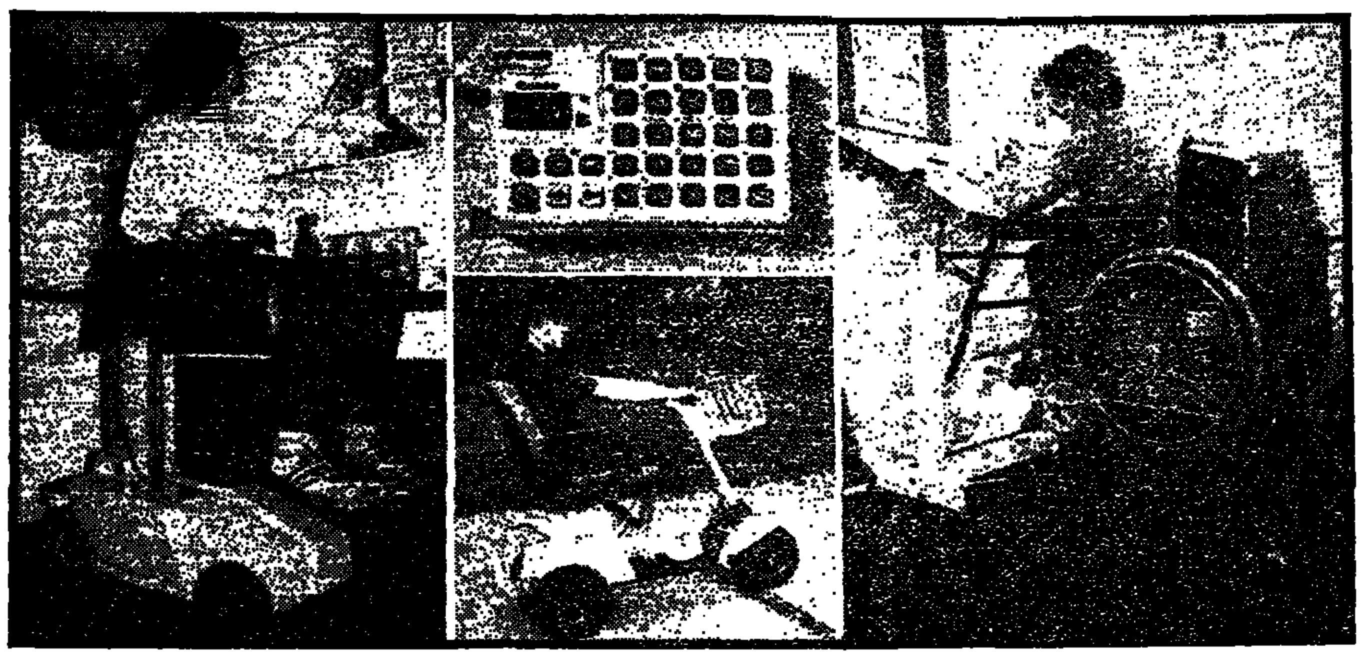
TECHNOLOGY

EDITED BY ALAN CANE

EQUIPMENT DESIGN CONTRIBUTES TO BETTER WORKING LIVES

Hardware for the handicapped

BY HENRY MARA



A combination of mechanical and computer techniques can provide answers to the problems of helping the disabled live full and useful lives. Top centre: the Canon UK Communicator and below it the Downs Surgical "Rova" which climbs three inch kerbs. Freestanding and built-in powered jacks help raise the disabled to the heights

TWO YEARS ago, the UK Department of Trade and Industry initiated a bold and humane experiment.

It bought computerised equipment for 50 handicapped people, set them up in "home working units" and found them employers.

The payoff has been, all the feedback suggests, satisfied employers, fulfilled workers—and the development of a range of hardware and software for the handicapped with substantial export potential.

> The pay-off has been satisfied employers and fulfilled workers

The DTI showed off its achievements earlier this month at an exhibition "The Concerned Technology" in Brighton, which set out many of the new devices designed to help the disabled make a worthwhile working contribution.

Typical of the innovations on show was "Beeb Control" from Elfin Eystems of Gloucester, a device which can be linked to a BBC computer *to enable someone* who cannot operate the manual keyboard to control the machine either with the pressure of their hand or head on a switch—even the flicker of their eyelids can be used.

Visual aids for the deaf and dumb are becoming more sophisticated. C Speech from SCI Instruments of Letchworth transforms the speech of a deaf person into patterns on a computer videoscreen; matching the sound to a pre-set pattern can produce clearer speech.

Canon UK was showing its Communicator, a pocket calculator sized gadget which extrudes messages on paper tape and which can be used by both deaf and dumb; for the poor sighted John Heathcote of Tiverton in Devon has a closed circuit television system which projects and magnifies words and figures.

Electric scooters appeal to handicapped people who would otherwise have to use wheelchairs and they are also popular with asthmatics and sufferers from arthritis and heart disease.

These 4 mph machines can be kept at the office and ridden along shopping concourses. They include the Downs Surgical "Rova" (£895) which climbs 3 inch kerbs and the Bec Budget Scooter (£495) which does not.

Lenin and Trotsky are said to have bicycled their way around the Kremlin. Rova say one business client of theirs scooters around his company.

"Car Chair" of Hailsham Surrey showed a device that winches your wheelchair into a car.

"Chair Up" of Wimborne, Dorset, market through Carters of Westbury, Wilts, a gadget to raise a wheelchair on to a roof rack.

If a handicapped person is offered a job in a building with no lift, Stannah lifts of Andover, Hants, offer a monorail with seat, or a lift which takes a wheelchair with a person remaining in the chair. (You can negotiate with the Manpower Services Commission for a grant to pay for it.)

Reaching a high shelf from a wheelchair is solved by Tunkers of West Germany who have a built in hydraulic lift device in their Butler Chair. The chair is comfortable, orthopaedically designed, and self propelled, with a smart executive look (£3,500).

"Chair Up" of Wimborne, Dorset, showed a self propelled executive style chair with the same capacity but using an electrically driven jack (£1,778). "Chair Up" also make for Carters of Westbury, Wiltshire, a device which lifts a whole wheelchair so that the user can reach the top drawer of a filing cabinet.

But in general, wheelchair design is very backward in the UK. *Not only the archaic chairs* issued free by the DHSS, but also those shown by the most respected manufacturers in the UK. The orthopaedist and designer of a wide variety of seating, Dr Bernard Watkin, has described these wheelchairs as "an anatomical insult." He said: "We need a marriage of the talents of people like Flight Equipment and Engineering of Chesham who are doing revolutionary things in the aircraft industry, with someone who understands the human body.

> In general wheelchair design is very backward in the UK

"Be sure to include actual wheelchair users and you will have the kind of think tank that will come up with the answers we need."

Videotex—what's in a name

IF VIDEO, cable TV, satellites and DBS seem a jungle to anyone *trying to orientate themselves*, videotex must seem like Bedlam. It may be simple enough for the cognoscenti — such as the 42,000 now connected to Prestel in the UK — but for the other 50m-odd, even the word videotex is full of mystery; as indeed it might be because it even has a different meaning in North America.

There are plenty of other names to add to the communications barrier, such as Homelink, Micronet 800, Club 403, Farmlink, Lawtel and — perhaps for those in desperate need of help —Simpatico.

To get the terminology a little sorted out for readers who have reached this far, videotex (in Britain) is the generic word to cover television text systems *whether they are transmitted* as part of the broadcast service (viz teletext) or relayed, by wire — effectively connecting the viewer to a distant computer (viz viewdata — of which Prestel is the publicly offered service provided by British Telecom via telephone lines, but there are many other private systems too).

In other parts of the world, the word videotex is being confusingly applied to denote viewdata; teletext remains the same; but in consequence no other word is used to embrace all systems.

As further clarification, names such as Homelink and Lawtel describe Prestel services offered by so-called information providers (IPs) — who range from building societies to newspaper groups. It may be easy to guess that Lawtel offers the legal profession access to a wide variety of law reports, case information, and so on; Homelink with some semantic sense provides Prestel consumers with direct access to a range of financial services — including the ability to actually transfer money. Sympatico is, much less obviously, a noticeboard service with sections such as Penpal, Heartsearch and Interests (but it is not clear exactly where the line would be drawn at accepting Heartsearch messages from those with very special interests).

Despite the confusion caused by the terminology, and in spite of much cynicism two or three years ago, videotex in Britain is alive and well — and even the more specialised Prestel service, easily dismissed as of interest only to business users, now has 37 per cent of its terminals in the home. In the words of the Parliamentary Under Secretary of State, Mr John Butcher, who has been a key figure in the story so far—"those who thought it would never begin to take off in the consumer market are being proved wrong."

Of course, 37 per cent of 42,000 is insignificant, but the growing confidence of this industry is evident — helped by the relative success of teletext, which again the cynics dismissed. There are now 1.7m households with teletext sets in UK, representing a potential viewing population of almost 6m people. That is a far cry from the 60,000 consumer penetration in 1980.

Another myth has been demolished too by other recent statistics. The average teletext viewer watches all that electronic print for 15 minutes per day, two hours per week — and a typical teletext set is not the white elephant some predicted it would become. Prestel is no less impressive, with 15.2m frame accesses per month (that is, 362 per terminal).

Video & Film

BY JOHN CHITTOCK

There is other good news about videotex which reverses a view of two or three years ago. Both Prestel and teletext were trail-blazing British developments, putting us well ahead of the rest of the world. But inevitably came the competition, especially from France with Teletel and Antiope (viewdata and teletext respectively) and Canada and Telidon. As is so often the case, it began to look as if the British would be squeezed out in world markets, particularly because the rival systems offered potentially better graphics.

Nonetheless, the British developments have recovered from early challenges and about 98 per cent of all world viedotex installations now follow the British standard (of which about one half are in the UK anyway).

The reason for the success of the UK standard is due in large measure *to the lower cost of* decoders for the terminals. But Britain's drive with teletext has set an example unequalled in the rest of the world, subsequently encouraging many countries — especially in Europe — to follow suit, even to the extent of using British teletext software.

The British Government, through the Department of Trade and Industry, must take some of the credit for this. Not only has it provided financial support and tax incentives to get teletext and viewdata established, but it has been a catalyst in getting the industry coordinated. Some might say rather enviously that it is a pity that the overall Minister responsible, Mr Kenneth Baker, cannot do as much for the film *industry which also comes under* the DTI.

There are still more battles to be won. Prestel, in particular, is far from justifying its commercial existence, although some innovatory services are yielding results that belie their novelty value. For example, Club 403's information service for residential subscribers in the West Midlands has seen its Home Shopping facility rank as first in the local popularity league table: as part of this service, Armchair Grocer allows a viewers to select, order and pay for food which will be delivered to the door. As Britain's leading evangelist for videotex — Mr Ric Foot — poignantly puts it, Prestel has re-invented the grocer's delivery boy.

The set manufacturers are not altogether sanguine about videotex, and UK teletext sales are now expected to plateau at about 700,000 per year — or one third of every large screen set. But even those figures are a dramatic leap from the expectations of a few years ago.

The arrival of hard-copy print-out incorporated in the TV set, as in a new Philips 26-inch teletext model now available, overcomes the ephemeral weakness of videotext information. Such developments signify the relentless convergence of print and television, also witnessed in other systems such as the video disc. It may be a truism, but we are on the verge of a new era of linguistics —with television as the common denominator.

Software

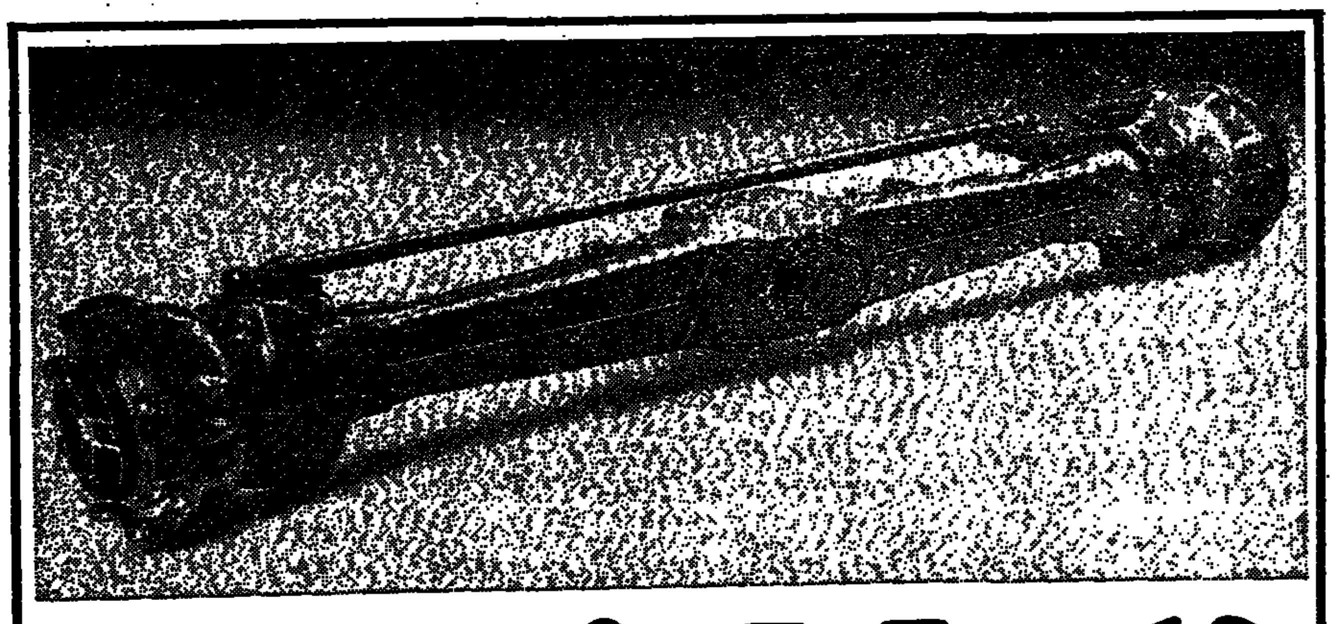
Translation by computer

COMPUTER-AIDED translation in six directions between English and French, German, Spanish or Portuguese is offered by some software called Microcat from The Professional Connection, Fareham, Hampshire.

Developed by Weidner Communications Corporation in the U.S., the program runs on the IBM PC XT personal computer.

The human translator does not vanish however. The source text is entered via the keyboard, together with any words not already in the program's core directory. Once Microcat has finished producing its raw translation at up to 2,000 words per hour, the human translator edits and polishes the text.

It is claimed that the productivity of the human translater is increased from an average of about 1,200 words a day to over 1,000 words an hour. More on 0329 230870.



Closing prices May 25

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/ E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
20⅞	13¾	AAR	.44	2.2	23	98	19⅞	19⅝	19⅝	
53	31½	ACF	1.40	2.7	142	633	52½	52¼	52½	+⅛
22	15½	AMCA	n	1.5	9	x2	16⅝	16⅝	16⅝	+⅜
18⅞	13⅛	AMF	.50	3.3		326	15	14⅝	15	
41¼	26⅜	AMRCp			5	1391	30¾	30⅝	30⅝	+⅛
20⅜	17½	AMR	pf2.18	11.		14	20	19⅞	20	
41½	29½	AMR	pf2.13	6.5		702	32⅞	32½	32⅝	+½
26⅛	23	ANR	pf2.67	11.		4	23¼	23¼	23¼	
16¾	8¼	APL			4	31	10⅞	10¼	10¼	-⅛
55¾	40¼	ARA	2.10	4.9	9	x189	43⅛	41⅞	42½	-⅛
74¼	50¼	ASA	3a	4.8		925	62⅝	61½	62¼	+2⅝
33¼	17	AVX	s .32	1.6	15	73	20¼	19⅞	20¼	+¼
53⅞	38¼	AbtLab	1.20	3.0	14	1738	40⅜	39⅝	40¼	
30¼	23¼	AccoWd	.60	2.3	17	5	26	25⅞	25⅞	-⅛
27½	20	AcmeC	.40	2.0		191	20¼	20	20	-⅛
13	8⅝	AcmeE	.32b	3.8	24	10	8⅝	d8½	8½	-⅛
24⅞	11	AdmDg	.04	.3	7	34	12⅞	12½	12⅝	+½
18¾	15⅜	AdaEx	2.11e	14.		43	15⅝	15½	15⅝	-⅛
19¼	11	AdmMl	.28	1.6	8	14	17½	17½	17½	
22	13½	AdvSys	.811	5.7	14	19	14⅜	14½	14½	+⅛
18½	8¼	Advest	.12	1.4	11	54	8¾	8½	8½	-⅛
37½	23⅛	AMD	s		25	2233	31⅛	30¼	30⅞	+⅛
24⅝	10⅝	Aeflex	s		10	63	10⅞	d10⅛	10½	-½
43½	31½	AetnL1	2.64	8.4	17	1654	31⅞	31½	31½	-⅛
59⅞	54⅝	AetL	pf5.29e	9.3		272	57	55⅞	56⅞	-⅜
37¼	16⅞	Ahmns	1.20	7.3	4	658	16⅞	d16⅜	16½	-⅛
7⅞	3⅛	Aileen				54	3¼	3⅛	3¼	+⅛
51	36½	AirPrd	1	2.5	10	353	40¾	40⅛	40⅜	+⅜
30⅝	16	AirbFrt	.60	3.1	11	9	19¼	19⅛	19¼	+⅛
3⅛	1¼	AlMoa	s			70	3⅛	3¼	3¼	
27⅞	22½	AlaP	pf2.15e	9.4		200	22⅞	22⅝	22⅞	-⅜
33½	28¼	AlaP	pfA3.92	14.		18	29	28⅞	29	-⅛
7⅞	6½	AlaP	dpf.87	13.		20	6¾	6⅝	6⅝	-⅛
71	57⅞	AlaP	pf8.16	14.		z80	58¼	58	58	-1½
24½	19	Alagsco	1.76	7.5	7	5	23⅝	23⅜	23⅜	
18⅝	11⅞	AlskAir	.14	1.2	9	107	12⅛	11⅞	12	+⅛
18¾	13⅝	Alberto	.54	3.3	14	31	16½	16½	16½	
30¼	22½	Albtsn	s.68	2.9	11	383	23¾	23¼	23½	+⅛
41⅝	27	Alcan	1.20	4.3	16	1869	28	27⅞	27⅞	+⅛
40¼	27⅛	AlcoStd	1.16	4.1	9	57	28	27¾	28	+¼
27⅝	18⅛	AlexAlx	1	5.4	310	82	18⅝	18¼	18⅝	+⅛
28½	14⅝	Alexdr			23	13	24½	24⅛	24½	-⅛
95	53	AlgCp	1.08b	1.5	14	99	75	73½	74⅛	+⅜
35¼	21⅛	AlgInt	1.40	6.2	49	136	22½	21¼	22½	+1¼
22¼	17	AlgIn	pf2.19	13.		12	17	17	17	
98	81½	AlgI	pfC11.25	14.		8	82	81⅞	82	
29	22¾	AlgPw	2.60	10.	7	3244	25⅜	25	25½	+¼
26	15¼	AllenG	.50b	2.5	11	18	20¼	20	20	
58⅛	47½	AldCp	2.40	4.9	8	486	49½	49	49	-⅛
39¼	31⅝	AldCp	wi			1	33⅛	33⅛	33⅛	+⅛
64⅞	58¼	AldCp	pf6.74	12.		23	58⅝	58⅝	58½	
114¼	100½	AldCp	pf12	12.		1	100½	100½	100½	-¼
107½	97¼	AldC	pf11.70e	11.		238	103½	103¼	103½	
14⅞	7	AldPd			8	130	13⅛	12½	13	+⅛
56½	38½	AldStr	2	5.0	6	366	40¼	39⅞	40	+⅝
19⅞	10½	AllisCh				51	11¾	11½	11¾	+⅛
40	32¼	AlisCh	pf			25	33¼	33	33	-½
26⅞	20½	ALLTL	1.80b	8.5	8	x86	21½	21⅛	21⅛	-⅛
33¾	27	ALLT	pf2.06	7.3		z1	28⅛	28⅛	28⅛	-½
30½	19¾	AlphPr			12	1	21⅞	21⅞	21⅞	+⅛
48⅝	32	Alcoa	1.20	3.7	10	1727	32⅞	32¼	32¼	-⅝
30⅛	22⅞	Amax	.20	.9		535	22⅝	22½	22¾	-⅛
48⅝	24⅛	Amrce	.40	.8	12	346	47⅞	47	47⅛	
78¾	40¼	Amrc	pf2.60	3.4		53	76½	75¾	76⅛	
34⅛	25⅛	AmHes	1.10	3.6	9	3556	31⅛	30⅛	30⅞	+½
150	111	AHes	pf3.50	2.6		1	134	134	134	-10
3¾	1½	AmAgr				159	1⅝	1½	1½	
⅞	1-16	AAgr	rt			44	1-16	1-16	1-16	
20⅝	13⅞	ABakr			11	118	16⅝	16¼	16⅜	+⅛
62½	47½	ABrand	3.75	7.0	8	213	54⅛	53½	53⅞	+¼
63	47¼	ABrd	pf2.67	4.9		1	54¼	54¼	54¼	+½
67⅝	50¼	ABdcst	1.60	2.8	10	1570	56¾	56⅜	56⅝	+⅛
30⅛	22	ABldM	.82	3.5	10	25	23½	23	23½	+⅛
22¾	16⅝	ABusP	s.56	2.7	13	z50	20¾	20½	20¾	+⅛
55	39	AmCan	2.90	6.9	12	254	42⅛	41⅝	41⅞	
24½	21¼	ACan	pf2.80	12.		2	22¼	22¼	22¼	
48	35½	ACan	pf 3	7.9		13	38	37½	38	+⅛
20	17⅛	ACapBd	2.20	13.		54	17½	17¼	17¼	
33⅞	26⅞	ACapCv	6.56e	23.		7	28⅞	28½	28½	
16½	8¼	ACentC			3	56	10⅛	10	10⅛	
59	42⅛	ACyan	1.90	4.0	12	1112	47½	46⅞	47	-⅛
32⅝	20	ADT	s.92	3.3	17	890	28¼	27⅝	27⅞	-⅜
20⅛	15½	AElPw	2.26	14.	8	1047	15⅝	15½	15⅝	
49½	27¼	AExp	s1.28	4.7	12	5895	27⅞	27¼	27⅜	-⅛
20¼	15⅛	AFamil	.60	3.6	9	329	17⅛	16⅝	16⅝	-½
26¼	19⅝	AGnCp	.90	4.4	6	7892	20½	20¼	20½	+⅛
8¼	5⅛	AGnl	wt			579	7	6⅞	6⅞	-⅛
57	51¼	AGnl	pfA5.93e	11.		125	55	54⅞	54⅞	-⅛
71½	57½	AGnl	pfB5.55e	9.2		20	60¼	60½	60½	
47	38½	AGn	pfD2.64	6.3		3928	41⅞	41⅝	41¾	
17⅞	11⅛	AHoist				34	12	11⅞	11⅞	-⅛
55¾	42¾	AHome	2.64	5.0	13	1399	53¼	52⅞	53	+⅛
48⅝	31⅝	AHosp	1.12	3.5	11	1395	32½	31⅝	31⅝	-⅜
71⅝	62¼	Amrtc	n 6	9.3	7	841	64⅝	64⅛	64¼	+¼
37¼	20⅝	AMI	.60	2.5	13	1338	24⅝	24⅛	24⅛	
10¼	4¼	AmMot				920	4½	4¼	4¼	-⅛
33⅞	23¼	ANtRs	s2.22	7.1	6	341	31½	31¼	31¼	-½
33¼	18¼	APres	n.74t	2.8	5	73	26	25¾	26	+½
26⅞	9⅛	ASLFla			5	5	9½	9⅛	9⅛	-¼
20½	16⅛	ASLFl	pf2.19	14.		2314	16	d16	16	-⅛
15⅛	10	AShip	.80	7.4		26	10⅞	10½	10⅞	
38⅛	26⅛	AmStd	1.60	5.9	15	544	27¾	26¾	27⅛	+⅛
23¼	17	AStand	.44	2.4	11	85	18¾	18¼	18⅝	
44	26⅛	AmStr	s.64	2.1	8	55	30½	30¼	30¼	
55	49¾	AStr	pf5.51	10.		7	53⅞	53	53⅞	+¼
21¼	14⅞	AT&T	n1.20	7.7	8	10352	15⅝	15½	15⅝	+⅛
38½	31⅞	AT&T	pf3.64	11.		18	32⅛	32⅛	32⅛	-⅛
39½	32¼	AT&T	pf3.74	11.		2	32½	32⅛	32⅛	-⅛
32	24½	AWatr	1.60	5.4	5	75	30	29½	29½	
40½	31½	AWat	pf1.43	3.8		z60	37½	37½	37½	-¼
11⅛	10	AWat	pf1.25	11.		z200	10⅞	10⅞	10⅞	+⅞
12	10	AWa	5pf1.25	11.		102	11	11	11	
27½	21¼	AmHotl	2.40	11.	10	38	22⅛	21¾	22	
59½	54¼	ATrPr	5.35	9.8		42	54¾	54½	54¾	
10⅛	4⅛	ATrSc				22	5¼	5⅛	5¼	+⅛
67½	59½	ATrUn	5.35	8.9		6	60⅛	60	60	-⅛
33⅞	28⅞	Amerin				566	33⅛	33¼	33¼	
35⅞	28¼	Ameron	1.60	5.6	10	2	28¾	28¾	28¾	
52⅞	34	AmesD	s.40	1.0	13	33	41⅜	41	41⅜	-¼
30¼	20½	Ametk	s.80	3.5	12	83	22⅛	22⅛	22⅝	+⅜
31⅛	23⅞	Amfac	1.44	6.1		13	23⅞	23⅞	23¾	+⅛
26	12⅞	Amfesc	1.95t	16.	6	176	12½	d12¼	12½	
118½	84½	AMPln	1.92	2.0	17	480	98	96¼	96⅞	+⅛
39½	28⅛	AMP	wi			48	33	33	33	+¼
20¼	12¾	Ampco	.30	1.5		8	19⅝	19⅝	19¾	
27	13¾	Amrep	3.31t	15.	11	49	21⅜	21¼	21⅜	-⅛
24	19¼	AmSth	s1.28	6.3	7	14	20⅝	20¼	20¼	-⅜
37⅞	26	Amstad	.80	2.7	70	21	29⅝	29½	29½	-⅛
19½	2	Anacmp				249	3⅛	3	3	
31½	19⅝	Analog	s		22	297	20	19⅝	20	
35¾	23	Anchor	1.48	6.4	4	351	23⅛	23	23⅛	+⅛
33½	25¼	AnClay	1.32	5.2	9	84	25¼	d25	25¼	-⅛
18	9½	AndrGr	.19	1.9	31	24	10¼	10	10	-⅛
35	16¼	Angelic	.48	2.8	10	521	17⅛	16¾	17	+⅛
72¼	53¾	Anheus	1.76	2.9	9	1028	60½	60	60¼	+½
54½	44	Anheu	pf3.60	7.7		18	47	46½	46½	-⅛
26¼	17⅝	Anixtr	.28	1.6	25	x426	18¼	18	18	-¼
29⅞	14⅝	Anta	9c			10	26⅛	26⅛	26⅛	-⅛
16⅜	10⅝	Apache	.28	2.1	14	250	13¼	13⅛	13⅝	+⅛
5	1¼	ApchP	wt			282	2⅛	1⅞	2	+⅛
23⅞	18	ApchP	un2e	11.		207	18¼	d17⅞	17⅞	-½
31⅛	27	ApPw	pf3.80	14.		41	27¾	27¼	27¼	
36½	12	ApplMg	1.14t	9.5	11	786	12	d11¼	12	-¼
26½	16⅞	ArchDn	.14b	.9	14	1678	16¾	d16⅛	16⅛	-½
26½	14½	ArizPS	2.60	16.	5	1093	16⅞	16	16⅛	+⅛
31⅝	23	ArlP	pf3.58	15.		12	23⅞	23⅝	23⅞	-⅛
27½	13⅛	ArkBst	.05e	.3	7	34	15½	15	15¼	
29⅞	20⅛	Arkla	1.04	5.0	14	288	21⅛	20¾	20¾	-¼
1⅞	⅝	ArlnRt				184	11-16	⅝	⅝	
13¼	9⅝	Armada			38	5	12⅛	12⅛	12⅛	-⅛
23¼	16⅛	Armco	.40	2.4		486	16¾	16⅜	16¾	+⅛
33½	26¼	Armc	pf2.10	8.1		x16	26⅛	d25¾	26	+⅛
22⅞	15	ArmsR	s.48	3.0	7	x41	16⅛	16	16	
33¼	22¼	ArmWin	1.20	5.1	8	157	24¼	23⅞	23½	
34	20⅝	ArowE	.20	1.0	15	123	21¼	d20⅜	20⅞	+⅛
24¼	18¼	Artra	.22	1.1		21	19¼	18⅞	19¼	
30¼	20⅝	Arvin	1.12	5.1	8	71	22	21½	22	+¼
43⅝	25⅝	Asarco	.40	1.5		469	27⅛	26⅝	27⅛	+¼
38	24¼	AshlOil	1.60	6.1	9	125	26½	25⅞	26¼	-⅜
41	36½	AshlO	pf4.50	12.		4	36½	d36	36½	
43½	36	AshlO	pf3.96	11.		2	37¼	37⅛	37⅛	-⅜
71½	45¼	AsdDG	2.20	4.7	8	72	46⅝	45¾	46⅜	+⅜
114	73	AsdD	pf4.75	6.5		1	73½	73½	73½	+¼
28¼	20	Athlone	1.60	7.1	754	4	22⅝	22½	22⅝	+¼
25⅞	20	AtCyEl	2.36	12.	6	30	20⅛	20	20⅛	
52¾	39	AtlRich	3	6.2	8	4057	48½	47¾	48⅛	+⅛
39½	32¼	AtlRc	pf3.75	11.		z170	34½	34⅛	34½	-½
125½	95	AtlRc	pf2.80	2.4		5	114¾	114	114¾	-¼
30	14½	AtlasCp	.50	2.9		26	17½	17½	17½	-⅛
47½	28	Augat	.32	1.0	21	93	30¾	30½	30⅝	-⅛
44½	29½	AutoDt	.62	1.9	16	505	32¼	32⅛	32½	+½
36⅛	24	AvcoCp	1.20	4.4	6	2203	28¼	27½	27½	-½
73	52	Avco	pf3.20	5.6		5	57	57	57	-⅛
24¼	15¼	AVEMC	.58	3.3	12	7	17⅛	17¼	17⅛	-⅛
29½	19¼	Avery	s.52	2.2	12	260	23¼	23⅛	23¼	+½
50	30⅛	Avnet	s.50	1.6	15	x603	31½	30⅞	31⅛	+¼
36⅞	19⅞	Avon	2	9.9	9	1133	20⅞	20	20¼	+¼
26½	16⅛	Axia	1.15	5.1	22	3	22⅞	22⅞	22⅞	-⅛
62½	26⅛	Aydin			8	65	26⅝	26⅛	26½	-⅜
		B—B—B								
27⅞	16⅝	BMC	.48	2.8	10	111	17	d16¾	17	
36¾	27½	Bairnco	.60b	2.1	8	145	29⅛	28⅞	29¼	+¼
26⅞	16½	BkrIntl	.92	4.7		891	19⅞	19⅝	19¾	-⅛
27⅞	20	Baldor	.32	1.5	17	x52	21⅞	21¼	21¼	+⅛
13⅞	1⅛	vjBaldU				494	1½	1⅛	1½	
42½	4	BldU	pf			5	4¼	4⅛	4⅛	-⅝
36¾	28½	BallCp	1.16	3.7	9	x91	31⅞	31¼	31⅞	+¼
28⅛	14⅝	BallyMf	.20	1.1	46	918	19⅜	18¾	19	
28⅞	9⅝	BallyPk			13	25	12⅝	12⅜	12⅜	
34¼	27¼	BaltGE	3	9.3	6	1697	32½	32⅛	32¼	
43	35	Balt	pfB4.50	12.		z20	39	39	39	+1
31⅛	20⅛	BnOne	n.96b	4.4	8	76	22	21½	21⅝	-⅜
49¼	29⅛	BanCal	1.20	2.4	9	54	49½	49½	49½	
11⅞	8⅝	BncCtr	n.54e	5.5	6	9	9¼	9¼	9¼	
7⅞	4⅜	BanTex	.20	4.4		211	4½	4⅜	4½	
59¼	38	Bandag	1.10	2.6	11	91	42½	41⅞	42¼	+½
46¼	31⅝	BkBos	2.32	7.3	5	343	32⅛	31⅝	32	+⅜
53½	51¼	BkBos	pf1.13e	2.3		x68	49⅞	d49	49	-1
56	50	BkNE	dpf5.31e	10.		100	52½	52½	52½	-2⅛
34¼	27¼	BkNY	s1.84	6.6	5	316	28⅝	27¾	27⅞	+¼
38	27⅛	BkofVa	1.52	4.5	6	96	34	33½	33¾	-⅜
25⅛	17¼	BnkAm	1.52	8.6	9	4507	18⅛	17⅞	17⅞	-¼
53¼	48	BkAm	pf4.81e	10.		450	49	48	48	-½
86½	76⅛	BkAm	pf7.61e	9.5		909	81	79½	79⅝	-1⅛
21¼	14⅛	BkAm	pf2.88			205	14⅝	14¼	14⅝	+¼
28	21¾	BkARty	2.04	8.6	7	x60	24	23⅝	23¾	
50½	37⅜	BankTr	2.45	6.2	5	1337	39⅞	38⅞	39¾	+1¼
24½	20¼	BkTr	pf2.50	13.		13	19¾	d19¼	19¼	-1
41	35½	BkTr	pf4.22	11.		1	37	37	37	-⅝
12½	8½	Banner	.03e	.3	21	50	9⅛	9⅛	9⅛	-⅛
46¾	24⅛	Bard	.40	1.6	11	928	25⅞	25⅛	25½	+½
26⅛	19	BarnGp	.80	4.4	11	x112	19	d18⅜	18⅜	-⅝
42½	32¼	Barnet	1.36	4.0	7	449	34⅜	33¾	33¾	-1⅛
33	22⅛	BaryWr	.48	2.1	14	30	23½	23¼	23¼	-¼
14½	8⅝	BASIX	.10b	1.1	10	47	9⅜	9¼	9¼	-⅛
30⅛	17½	Bausch	s.78	4.3	10	289	18¼	17⅞	18	+¼
31¼	15⅝	BaxtTr	s.33	2.0	11	2103	16⅝	16⅜	16⅜	
21¾	13⅛	BayFin	.10e	.5	6	17	20½	20¼	20¼	-⅛
33⅛	19¾	BaySiG	2.48	11.	7	9	22⅛	21⅞	22⅛	+¼
41	28⅝	Bearing	1	3.0	14	2	33⅜	33¼	33¼	
36	25	BeatFd	1.70	6.0	7	6097	29	28½	28½	-⅛
65½	47	Beat	pf3.38	6.4		136	54	52¾	52¾	-⅛
53½	33½	BectnD	1.15	3.4	25	74	34	33⅝	33¾	
12¾	5⅛	Beker			20	298	6⅛	5⅞	5⅞	
21⅛	13	BeldnH	.40	2.9	7	x39	14	13⅝	13⅝	+⅛
29¾	19¾	BelHw	s.50	2.1	8	285	24	23	23⅝	-⅜
29¼	19½	BelHw	pf.60	2.6		17	23¼	23	23	-1
75⅛	65	BellAt	n6.40	9.3	7	1289	70	68⅝	68⅝	-1⅛
27⅛	20⅞	BelCd	g2.18			1563	22⅛	22⅛	22⅛	-⅜
39⅛	23¼	BellInd	.32	1.4	11	28	23¾	d23⅛	23⅜	-⅜
32¾	27⅞	BellSo	s		7	2260	29¾	29⅛	29⅝	
46½	35¾	Belo	n.72	1.7	13	53	43	42¾	42¾	-¼
24¾	17⅞	Bemis	s.88	3.8	14	27	23⅛	22¾	23	+⅛
35½	23⅛	BenfCp	2	8.5	6	781	23¾	d23	23½	+⅛
37½	31	Benef	pf4.30	14.		10	31½	31½	31½	
22½	18	Benef	pf2.50	14.		z200	18¼	18½	18½	-¼
10⅛	5¼	BengtB	.25e	3.6	10	957	7⅛	6⅞	7	+⅜
17¼	7⅛	BergE	s		5	65	7⅞	7¼	7¼	+⅛
8⅞	4	Berkey			9	174	4¼	4	4⅛	+⅛
26⅞	12¼	BestP	s.24	1.7	10	x470	14½	13⅞	14½	+⅝
29½	20⅛	BethStl	.60	2.9		1468	20⅞	20½	20⅞	+¼
59⅝	45	BethSt	pf 5	11.		31	47¾	47½	47½	
29¼	22¼	BethSt	pf2.50	11.		75	23	d22½	23	+⅛
44¾	19½	Beverly	.28	1.2	16	80	24½	24	24¼	-¼
28	18	BigThr	.80	3.8	19	439	21⅜	20½	21	-¼
55½	31⅝	Binney	1.36	2.6	18	116	54½	52¾	53¾	
28⅝	19½	BlackD	.64	3.2	14	511	20⅛	19¾	19⅞	+⅛
24	16½	BlckHP	1.68	7.9	6	12	21¼	21¼	21¼	
46½	25¼	BlairJ	s.56	1.8	16	59	31⅛	30¾	30¾	+¼
50	37	BlckHR	2.08	5.5	11	57	37¼	37⅛	37⅝	-⅛
51⅞	34⅛	BlueB	2	4.3	11	514	46¼	45⅞	46¼	+¼
49⅞	35⅝	Boeing	1.40	3.7	11	2089	38⅛	37½	38	+⅛
47⅞	33½	BoiseC	1.90	5.6	13	344	34⅛	33¾	33⅞	-¼
58¼	48¼	BoiseC	pf 5	10.		4	48½	d48	48¼	+½
30⅝	16½	BoltBr	s.10	.5	29	57	19¼	18⅛	19¼	+1¼
61	49⅝	Borden	2.72	5.0	8	851	54⅛	53⅞	54	+¼
27⅝	17¼	BrgWa	s.84	4.5	9	754	18⅝	18½	18⅝	-⅛
12⅝	5⅞	Bormns				135	6	d5¾	5¾	-⅛
29½	24⅞	BosEd	3	12.	7	105	25¼	25⅛	25⅛	-⅛
74	65	BosE	pf8.88	13.		z520	67½	67½	67½	+1
10¼	9⅛	BosE	pr1.17	12.		23	9⅝	9⅝	9⅝	
12⅞	10⅜	BosE	pr1.46	13.		1	10⅞	10⅞	10⅞	-⅛
18⅝	17¼	Bowtr	n		11	637	17⅝	17¼	17⅝	+½
35½	26½	BrigSt	1.36a	4.9	13	45	27⅞	27⅜	27⅝	-⅛
48	35¼	BristM	1.60	3.6	14	1405	44⅝	44	44½	+¼
100	76¾	BrstM	pf 2	2.2		1	92½	92½	92½	+¼
6	3⅛	BritLnd				3	4	3⅞	3⅞	
30	22¼	BritP1	1.68e	6.0	10	139	28	27⅞	27⅞	+⅝
10⅞	4⅝	Brock	.10	2.2	23	153	4¾	4⅝	4⅝	-¼
19	14⅝	Brckwy	1.32	8.3		27	16	15⅞	15⅞	-⅛
34	28⅝	BkyUG	3	9.8	6	56	30⅞	30⅝	30¾	+⅛
29¼	17½	BrokF	n.20	1.0	10	73	20½	20	20⅜	+⅜
20⅞	14¼	BwnSh	.20	1.3		7	15¼	15	15	-⅛
39⅞	23⅞	BwnGp	s1.28	5.2	7	1185	25¼	d23½	24¼	+⅞
47⅝	28⅛	BrwnF	.96	3.3	12	435	29½	28¾	29	+⅛
32¾	16½	Brnwk	s.60	2.4	7	480	24⅞	24	24⅞	+⅝
61½	46½	BrshW	.96	1.6	18	52	58⅝	58½	58⅝	-½
19¼	12⅞	BucyEr	.44	3.3		184	13⅜	13¼	13⅜	+¼
23¼	15⅝	Bundy	.80	4.8	8	83	16½	16	16½	+⅜
18½	15⅞	BunkrH	2.16	13.		7	16¼	16⅛	16⅛	+⅛
43	24½	Burlnd	1.64	6.2	6	174	26¼	25⅞	26⅛	-⅛
54¼	38⅝	BrlNth	s 1	2.4	6	1217	41⅛	40¾	41	
7⅞	5⅞	BrlNo	pf .55	7.9		16	7	7	7	
50¼	45¼	BrlN	pf2.49e	5.5		118	45⅝	d45¼	45⅝	+⅛
28⅛	14¼	Burndy	.84	5.1	15	10	16¼	16⅛	16⅝	+⅛
57⅞	44⅞	Burgh	2.60	5.3	10	1540	49½	48⅝	49½	+⅞
24½	13⅞	Butlrin	.52	3.8	21	182	13⅞	d13⅝	13⅝	-⅛
14¾	8½	Buttes				9	8⅝	8½	8½	
		C—C—C								
39⅞	27¼	CBI In	1.40a	4.5	14	23	31⅛	31⅛	31⅛	-⅛
81¾	61½	CBS	2.80	4.0	10	893	70¼	69¾	70⅛	+⅞
11¾	5	CCX			10	274	5	d4⅝	4⅞	-¼
50	34⅞	CIGNA	2.60	7.5	6	1936	35¼	d34⅝	34¾	-⅝
30½	24	CIG	pf2.75	11.		32	24¾	24¼	24⅝	+⅜
13¼	6⅛	CLC				71	6¼	d6	6	-¼
32	19	CNAFn			7	112	23¼	22¾	23⅝	+1⅛
10⅞	9¼	CNAI	1.20a	13.		8	9¼	9¼	9¼	-⅛
42⅞	35½	CPCInt	2.20	6.2	13	973	35⅞	d35⅛	35⅜	-⅛
21½	14⅝	CPNtl	s1.28	8.2	7	25	15¾	15⅝	15⅝	
27½	19⅞	CSX	s1.04	5.0	8	1052	20⅞	20⅜	20⅞	+½
57⅞	22	CTS	1	4.0	14	16	25⅛	24⅞	25	+⅜
23⅞	6¼	C3Inc			10	383	9¼	9½	9⅝	-⅛
30⅞	23⅛	Cabot	.92	3.8	12	133	25	24⅛	24½	-⅝
18¼	9⅞	Caesar			22	831	10½	10¼	10½	
28⅞	17⅛	Calhn	.25r	1.2	32	72	20⅝	19⅞	20⅝	+1
23⅞	15⅞	Camml	.12	.7		x123	18¼	18	18⅛	-⅛
33½	21½	CRLk	g.48			607	26	25¾	25⅞	+1⅛
12⅛	7½	CmpR	n.16t			144	8	7½	8	+½
4⅛	2¼	CpR	pfg.50			15	2⅞	2⅞	2⅞	
64½	45⅞	CamSp	2.30	4.1	10	199	55½	55	55½	+⅜
43	28⅝	CdPac	g1.40			714	30⅛	30	30	
20⅞	15	CanPE	g.80			19	15⅝	15¼	15⅝	+⅛
100¼	68⅝	CanalR	2.2c		72	4	98	98	98	+½
157½	123½	CapCits	.20	.1	16	217	146¾	145	146¼	+¼
39⅞	31⅝	CapHld	1.48	4.7	8	x209	32	31⅝	31¾	-⅜
108¼	98¾	CapHd	pf9.97e	9.6		187	105¼	104	104	-3
19⅝	11½	Caresa	s.42	3.3	7	123	12⅞	12⅝	12⅞	+⅛
20¼	12⅞	Caring	g.40			39	13¼	13½	13⅝	+¼
32¼	22⅞	Carlisle	.96	3.7	10	27	26⅞	26	26	+⅛
58⅞	46¾	Carnat	2.40	4.4	10	1101	54¾	53¾	54¼	-¼
35¾	13⅝	CaroFt	.36	2.1	8	65	17¼	17	17¼	
25⅛	20	CarPw	2.52	13.	6	200	20¼	20	20	-⅛
24	19¼	CarP	pf2.67	13.		7	20⅛	20⅛	20⅛	-⅜
58¼	42	CarTec	2.10	4.9	12	30	43	42⅝	43	+⅞
17⅞	6⅛	Carrol	s.05	.6	13	39	8⅝	8⅛	8⅜	+¼
44⅞	31¼	CarsPir	1.20	3.8	10	28	31⅞	31½	31⅞	-⅛
32¼	18¼	CartHw	1.22	6.1	10	363	20⅝	20	20⅛	-⅜
28¼	18	CartWl	.48	2.5	8	41	19⅝	19⅛	19⅛	-⅜
11¼	9	CascNG	1.72	10.	8	29	10⅛	10⅛	10⅛	+¼
19⅝	13⅛	CastlCk			24	574	13⅞	13⅜	13¼	
33¼	25½	CstlC	pf2.50	9.5		14	26¼	25⅝	26¼	+¼
52¾	37⅜	CatrpT	1.50	3.7		1682	41⅝	40½	40⅞	-⅛
25¾	19	Ceco	s.72	3.7	9	6	19½	19¼	19½	
79¼	58⅝	Celanse	4	5.8	7	x2781	69½	68¾	68¾	+¼
39	36¼	Celan	pf4.50	12.		x56	36⅝	36¼	36¼	-⅜
39¾	30⅝	Centel	2.32	6.9	8	423	34⅜	33½	33½	-¼
32⅞	23¼	Centex	s.25	1.1	9	301	23	d22½	22⅝	-½
20¼	16⅜	CenSoW	1.90	11.	6	423	17½	17⅛	17½	+⅛
29¼	16½	CenHud	2.72	16.	4	88	17⅝	17⅛	17½	+¼
23	19	CenIlLt	2.14	11.	6	61	19¾	19⅝	19⅝	-⅛
42½	38	CnlLt	pf4.50	12.		z750	38	38½	38½	-½
26½	24¼	CnlLt	pf2.87	11.		z590	25½	25⅛	25⅛	-⅜
26⅞	21	CnlLt	pf2.62	9.7		z100	26⅞	26⅞	26⅞	
17⅛	13¾	CnIPS	1.60	11.	6	86	14⅞	14¾	14⅞	
20⅞	16	CnLaEl	1.84	10.	6	28	18⅛	18	18	-⅛
35	29¼	CLaEl	pf4.18	14.		78	30¼	30	30¼	+½
16⅛	7⅞	CeMPw	1.96	18.	4	172	10⅝	10⅛	10⅝	+⅜
16½	14	CnSoya	.84	5.7	8	322	15	14¾	14¾	-¼

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AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Closing prices May 25

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
15¼	12⅝	ALLab	n		15	5	12⅞	d12⅞	12⅞	-⅛
7	2⅝	vjAMIn				156	3½	3¼	3½	
4⅜	1½	ATI				50	1¼	1¼	1¼	
64	58¼	ATTFd	n.92e	1.5		108	59⅞	59⅜	59⅝	+⅛
6⅝	3⅛	AcmePr				31	3⅛	d3	3	-⅛
19½	12⅝	AcmU	s.32	2.5	13	9	13	12⅞	13	
15⅜	9⅝	Acton	s		10	124	14½	14⅛	14½	+⅛
12	5⅛	Actons		11	17.	143	5⅞	5⅝	5⅞	+⅛
6½	1⅛	Actn	wt			31	1⅞	1⅛	1⅞	+⅛
6⅝	2⅛	AdmRs			6	5	3	2	3	
30⅞	15⅞	AdRusl	s.10	.6	10	134	17½	17⅛	17⅛	-⅛
28⅞	18	Adobe	.24	1.1	14	12	21	21	21	-⅛
6⅛	3⅝	AeroCp			16	105	5⅜	5¼	5⅜	+⅛
6⅞	4	Aeronca			7	40	4⅞	4⅞	4⅞	
17½	9⅝	AhSlx	.12e	.9	11	90	13½	13⅛	13½	
15½	5⅞	AirExp				11	6½	6½	6½	
6⅛	4	Alamc	n		8	14	4⅝	4½	4⅝	-⅛
14¾	9½	AlmySt		1.4		31	14⅛	14⅛	14⅛	-⅛
10½	6⅝	Aloha	.48r	5.9	3	20	8¼	8⅛	8⅛	-⅛
28⅝	12¼	Alphain	.05	.4	18	35	14¼	14⅛	14¼	-⅛
2⅞	1⅛	Altex				58	1⅛	1⅛	1⅛	+⅛
35½	31	Alcoa	pf3.75	12.		z200	32	32	32	-½
32½	11⅝	AlzaCp			68	107	15½	15	15	-⅛
29⅞	11⅞	Amdhl	s.20	1.6	13	2309	12⅜	d11⅞	12¼	+⅛
25⅛	12	Amedco	.08	.6	15	14	14¼	13⅞	14	+⅛
7½	4⅛	AmBilt	.15	2.9	9	1	5⅛	5⅛	5⅛	
9⅝	2⅛	AmCap				1	6⅞	6⅞	6⅞	
44¼	15¼	AExp	wt			156	15½	15¼	15¼	-⅛
9⅛	5⅞	AIsrael			2	115	6	5⅞	6	+⅛
19⅞	14⅛	AMzeA	.52	3.5	8	13	14⅝	14⅜	14⅜	-⅛
19¼	½	AMBild	v			33	½	⅜	½	+½
19¾	12½	AMotl	s		9	502	13¼	12⅞	13⅛	+½
11⅞	4⅛	AmOil			34	84	10	9⅞	9⅞	+¼
64¼	53	AmPetf	3.20	5.2	10	7	61⅞	61½	61½	-¼
8½	1⅛	AmPin	v			26	2⅛	1⅞	2⅛	+⅛
20⅞	14¼	APrec	.28	1.5	17	18	19½	19⅜	19¼	
8¼	6	AmRlty			11	33	7⅝	7½	7⅝	+⅛
12⅞	3⅝	AScE				17	3⅞	3⅝	3⅞	+⅛
6⅛	2⅛	Ampal	.06	2.8	3	89	2⅛	2⅛	2⅛	
6½	3½	Andal			3	13	3⅞	3⅝	3⅞	+⅛
26¼	6⅞	AndJcb	.27t	3.4	12	9	7⅞	7⅝	7⅞	
11⅝	8½	Angles	n		7	17	8½	d8⅛	8½	-⅛
3⅛	1⅛	Angel	wt			2	1½	1½	1½	+⅛
6	1¼	Anglo	v			67	2⅛	2⅞	2⅛	
17	8⅛	Anthm	s.02b		14	18	11¼	11¼	11¼	-¼
37⅞	17⅞	ApIDta	1.12t	5.9	14	9	18⅞	18⅞	18⅞	+⅛
8⅛	5⅛	ArgoPt				163	8¼	8	8	-¼
17⅛	10⅛	Arrwm			10	4	11¼	11⅛	11¼	+¼
13⅞	10½	ArrowA	.20	1.8	9	42	10⅞	10⅞	10⅞	-⅛
16⅞	9½	Arundl			28	50	11½	11	11½	+½
14⅞	8¼	Asmrg	s.15	1.6		117	9⅝	9⅜	9⅝	+¼
13½	8⅛	Astrex			10	9	8½	8¼	8½	+¼
4⅛	⅞	AstroDr				51	1¼	1	1¼	+¼
4	2¼	Astrotc				738	3⅛	3	3⅛	-⅛
19	14¾	Astrol	pf1.60	11.		10	15⅞	15⅞	15⅞	-⅛
3⅞	1⅞	AtlsCM				871	2	1⅞	2	+⅛
9	3⅝	Atlas	wt			7	4⅜	4¼	4⅜	
18⅛	10½	AtlasV	s.20	1.5	8	13	12½	12¼	12½	+⅛
8⅝	5⅛	Audiotr			45	23	7	6⅞	6⅞	-¼
44	32⅞	AutoSw	1	3.0	15	14	33¼	33¼	33¼	-⅛
25⅛	18¼	Avondl	s		6	6	19½	19½	19½	-¼
		B—B—B								
3⅛	2	BAT	s.12i	4.1	6	4	2 15-16	2⅞	2 15-16	+⅛
31⅛	21⅛	BDM	.15	.6	18	20	25⅛	25	25	-⅛
5	2⅛	BRT			11	9	2⅛	2⅛	2⅛	-⅛
9⅝	3⅝	BSN			24	25	4½	4⅜	4⅜	-⅛
9⅝	6⅛	Baker	.08e	1.0		1	7¾	7¾	7¾	+¼
9⅞	7⅛	BaldwS	.32e	4.1		9	7⅞	7¾	7¾	+⅛
25¼	21¼	BanFd	2.08e	9.5		14	22	21⅞	22	+⅛
7⅝	4⅛	Banstr	g			14	5⅛	5⅛	5⅛	
12	7	BnkBld	.40	5.3		10	7½	7½	7½	
7½	3⅛	Barco	.12	2.6	19	57	4⅝	4½	4⅝	+⅛
6⅞	3⅛	BarnEn				4	3¼	3¼	3¼	+⅛
7¼	4¼	BaryRG			24	21	5⅛	5⅛	5⅛	+⅛
15½	10⅞	Baruch	.34t	2.8	20	19	12⅛	12⅛	12⅛	-⅛
15⅛	6½	Beard				53	7	7	7	+⅛
9¼	2⅞	BeefCh				95	3⅛	3	3⅛	+⅛
14⅞	2⅞	Beehiv				44	3⅛	3	3	-⅛
21⅞	18¼	BeldBl	n.25e	1.3		11	20⅛	20	20	
8⅞	2½	Beltran				17	7⅛	7	7	-⅛
50	22¼	BnfStdA	.40	.9	13	x34	46⅛	45⅞	45⅞	-1
50¼	22⅞	BnfStdB	.40	.9	13	x25	46	45⅝	45⅝	-⅛
39½	19⅞	BergBr	.32	1.6	12	322	20⅛	20⅛	20¼	-¼
5⅛	1⅛	Berry				11	1⅞	1⅞	1⅞	+⅛
5⅞	4¼	BethCp	.49t	9.6		7	5⅛	5⅛	5⅛	
25¼	12	BicCp	.60	2.7	10	17	22	22	22	
6⅞	4½	Binnia	.15	2.9	7	1	5⅛	5⅛	5⅛	-⅛
25⅝	19⅝	BinkM	1	5.0	11	9	20⅛	20	20	-⅛
19⅛	14⅛	BioRB				1	14½	14½	14½	+⅛
25	15-16	[illegible]	.60i				48⅛			+½
4⅞	1⅛	BlockE				238	2⅛	2⅛	2⅛	
19⅛	9⅝	Blount	A.41	3.3	7	1	12⅝	12⅝	12⅝	+⅛
33⅞	17½	BolarP	.05	.2	23	23	26¾	26	26½	+½
24⅞	17⅞	BowVal	.15	.8		25	17⅞	17⅞	17⅞	+¼
11⅛	8⅞	BowlA	s.36a	3.8	9	21	9½	9⅜	9½	-⅛
9⅞	3½	Bowmr				48	3⅛	3⅝	3⅝	-¼
24¼	12	Bowne	.44	2.9	9	73	15	14⅞	15	+⅛
28⅛	6	BradNt				270	6⅛	d5¾	5⅞	-⅛
33⅞	25	Brascn	g1.60			66	25⅞	25	25	-⅞
35⅞	23¼	BrnFA	.88	3.6	8	2	24⅛	24⅛	24⅛	+⅛
37½	24	BrnFB	.88	3.5	8	350	25⅞	25½	25½	
4½	3½	BrnF	pf.40	11.		1	3⅝	3⅝	3⅝	-⅛

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
6⅞	3⅝	Buckh	pf.50	13		27	4	3⅞	3⅞	-⅛
24⅛	13½	Buell	.50	2.4	7	78	21	19½	21	+1½
		C—C—C								
33⅞	13½	CDI			9	9	26⅞	26½	26¾	+⅛
16⅞	10½	CHB	.20b	1.7	7	18	11⅞	11½	11⅞	-⅛
8⅛	4⅛	CMICp				17	5⅝	5½	5½	
28⅞	16⅜	CRS	.34	2.1	12	49	16⅝	16½	16½	-⅛
34⅞	11⅝	CaesNJ			20	120	16¾	16⅛	16½	-⅛
7⅞	2⅛	CagleA			24	23	6	5⅞	6	
28⅞	18⅞	CalMPC	.60	2.4	126	155	25⅛	25⅛	25⅛	
11⅞	10	CalRE	1.20	11	8	10	10⅞	10⅞	10⅞	
13½	7⅛	Calprp	n.80i	10	5	5	7⅞	7⅞	7⅞	-⅛
19¼	10½	Camco	.32	2.5	11	20	13	12⅞	12⅞	-¼
23½	14⅛	CMar	g.24			45	17⅞	17⅝	17⅞	+⅛
24¼	14½	ConOcc	50			6	21⅞	21¼	21¼	-⅛
38⅞	24	CWina	n		8	5	31	30⅞	30⅞	+⅛
7⅞	4½	Cardiff			116	8	4⅛	4½	4½	+⅛
9⅞	3⅞	Cardl			44	19	4⅛	4	4	-⅛
16⅛	6⅝	CareA	n.05e	.6	11	6	7⅛	7⅛	7⅛	-⅛
43⅞	37½	CaroP	pf 5	13		z10	38¼	38¼	38¼	-1⅛
11⅛	4⅞	Castlan	.66t	11	7	35	5⅞	5⅞	5⅞	-⅛
17⅛	13⅛	CastlA	.6		12	19	16⅛	16⅛	16⅛	
39⅛	28⅛	CasFd	2.20e	7.5		6	29⅞	29⅞	29⅞	
16⅞	4⅝	Castind				8	5⅛	5⅛	5⅛	+⅛
2	1	Centenl				8	1¼	1⅛	1⅛	
2⅞	1⅝	Centl	pf			4	1⅞	1⅞	1⅞	
28⅞	21	CenM	pf3.50	15		z500	24	22⅞	22⅞	-1⅛
14⅞	11⅝	CentSo	1.80e	15		2	11⅞	11⅞	11⅞	
20½	17⅛	CtryFa	.10e	.5	7	5	19⅛	19½	19⅛	-⅛
12⅞	7	Cetec	.20	2.7	11	2	7⅜	7⅜	7⅜	
23⅞	16⅛	ChadMi	.80e	4.4	9	25	18	18	18	-⅛
7⅞	2⅞	ChmpH			14	420	3	2⅞	3	+⅛
19	13⅛	ChmpP	.72	5.1	13	4	14	14	14	
30⅛	17½	ChrMA	s.20	.8	16	59	25⅛	24⅞	24⅞	-⅛
29⅞	17½	ChrMB	s.20	.8	16	4	25⅛	25	25	-⅛
18⅛	14⅛	CitiRv	1.20	8.2	10	8	14⅝	14⅝	14⅝	
26⅞	13⅛	Cniltn	s.20	1.2	15	58	17	15⅞	16⅞	+1⅛
28⅞	17⅝	CircK	.74	3.3	13	359	23	22⅞	22⅞	-⅛
18⅛	10¼	Cradl	n		6	116	14¼	14½	14⅝	-⅛
24⅛	16⅛	CrtFst	s.1b	5.2	8	39	19½	19⅛	19⅛	-⅛
19⅞	16	CtyGas	1.20	7.1	9	5	17	17	17	
13⅞	10	Clausg	s.52	3.9	15	z28	13⅛	13⅛	13⅛	+⅛
20⅞	5½	Cognit	n		15	61	6	5⅞	5⅞	-⅛
10⅞	6⅞	Cohu	.20	2.5	10	1	8⅛	8⅛	8⅛	+⅛
17⅞	11⅞	Comin	s			109	11⅞	11⅞	11⅞	-⅛
17⅞	10¼	ComAl	s.30	2.1	11	174	14¼	14⅛	14⅛	-⅛
13⅞	1⅛	ComdrC				63	1⅝	1½	1⅝	+⅛
16¼	10½	CwFSv	n		2	61	11¼	10½	11¼	+½
11	6⅞	Compo	.20	2.2	6	40	9¼	9⅛	9⅛	-⅛
9½	5⅞	CompD				6	7⅞	7⅞	7⅞	+⅛
25⅞	13⅛	CmpC	s		14	69	17½	16⅞	16⅞	-⅞
13⅞	6	CmpFct	n		43	25	6½	6	6	-⅛
19¼	11⅞	Concbm	.10e	.5	12	201	u22	19½	20	+1⅛
10⅞	6	CondF			6	57	8⅞	8½	8⅞	-⅛
30	17⅛	Condec				34	27⅞	27⅛	27⅞	+½
22½	13	ConrH	s		6	14	12⅞	d12⅛	12⅛	-⅛
12¼	6⅞	Conqst			60	119	10⅛	10	10½	+⅛
8⅛	3⅞	Conq	wt			72	6⅛	5⅞	6	-⅛
46¼	25	Conrock	.60	1.3	18	44	45	44¼	45	+⅛
37⅞	3¼	Convoy	.30c		1	35	3⅛	3⅛	3⅛	-⅛
11⅞	7	ConsOG				118	10⅛	10½	10½	+⅛
7⅞	2⅛	vjContA				150	4⅞	4⅛	4⅞	-⅛
11⅞	3½	vjCntA	pf			44	6	5⅞	5⅞	-⅛
38¼	12⅞	ContMtl			6	16	14⅛	14	14⅛	
14¼	7⅛	Cookinl				1	11⅛	11⅛	11⅛	-⅛
7½	⅛	Coradn	v			3	1⅝	1⅜	1⅝	
17½	5⅞	CrntCrd	.28b	4.7	8	26	6	6	6	-⅛
6⅛	1⅛	Crwfrd				15	2	2	2	+⅛
14½	7⅛	CrstFo	.12e	1.6	8	4	7⅞	7½	7⅞	+⅛
17⅞	11¼	Crompt				8	11⅞	11⅛	11⅛	-¼
35⅞	24⅛	Cross	1.20	4.9	13	594	24½	d24¼	24¼	-⅛
26⅛	19⅝	CrowlM	1	4.6	6	3	21⅛	21¼	21⅛	-⅛
30	17½	CwnCP	.80	4.2		14	19	18½	19	-¼
36½	23⅛	CwCP	pf1.92	8.2		19	23½	23½	23½	-½
9½	4⅞	CrownC			14	5	7⅞	7⅞	7⅞	+⅛
15⅞	9⅞	Crowrl	.28	2.5	6	45	11½	11¼	11¼	-½
9⅛	3	CrutcR			6	105	3⅛	3⅛	3⅛	+⅛
21	10⅛	CrystO	.36	3.3		205	11	10⅞	11	+⅛
34⅝	15½	Cubic	.39	2.0	9	99	19⅞	19⅝	19⅝	+⅛
27⅞	18	Curtce	s.80	3.6	8	4	22⅛	22	22⅛	+¼
15	3⅞	CustEn				15	4⅛	4⅛	4⅛	+⅛
		D—D—D								
4½	3	DWG	.37t	12.	3	216	3⅛	3	3	-⅛
21¼	12⅝	DaleEn	.32	1.6	7	15	19⅞	19½	19½	-¼
9¼	6¼	DamnCr			29	2	8½	8½	8½	-⅛
13⅞	7	Damson			19	38	7½	7⅛	7⅛	
7½	1½	Dam	wtO			14	1⅞	1⅞	1⅞	+⅛
32⅞	27¼	Dams	pf2.50	8.8		9	28½	28⅛	28⅛	
31½	17⅛	DataPd	.16	.9	14	238	17⅞	17½	17½	-⅛
12⅞	8½	Deranm			16	21	8½	d8¼	8¼	-⅛
12¼	4⅛	DeRose			4	25	4⅛	4⅛	4⅛	
8⅝	4⅞	Decorat			10	21	7⅞	7⅞	7½	
26	20⅞	DelLb	s.52	2.2	9	9	23⅞	23¼	23¼	-⅛
16¼	12⅛	DelVal	1.68	14.	7	7	12⅛	12⅛	12⅛	
14⅛	6⅞	Delmed				697	7½	6⅞	7	-⅛
10⅞	4½	Dsgntr	n.89t	19	11	11	4⅝	4½	4⅝	+⅛
12⅞	5⅛	Desgnl			17	42	8⅛	7⅞	7⅞	-⅛
20⅛	10¼	DevCp	s		7	37	10⅞	10½	10½	-⅛
13⅞	6⅛	DiagA	n		14	83	7⅛	d6⅞	7⅛	+¼
11⅛	6	DiagB	n		13	31	6⅞	6½	6⅞	+⅛
12⅜	8⅛	DiaBth	n.20	2.4	6	5	8⅛	8⅛	8⅛	

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
16⅝	6½	Digicon				10	7	6¾	6⅞	-⅛
3⅛	1⅝	Digic	wt			20	1⅞	1¾	1⅞	+⅛
62¼	43⅛	Dillard	.30	.6	8	26	47¼	47	47	-⅛
8¼	4½	Diodes			12	17	4⅞	4⅝	4⅞	+⅛
7⅞	4½	Dixico	.13e	2.1		22	6⅛	6	6⅛	+⅛
5⅛	2½	DomeP				4102	2 9-16	d2 7-16	2 9-16	-1-16
28¼	18⅞	Domtr	g.1			7	24⅛	24⅛	24⅛	-⅛
22⅞	12½	DorGas	.16	.8	41	4	21	21	21	
16⅞	9⅞	Dghty	.33	2.0	19	2	16¼	16¼	16¼	
13	8⅛	Downey			6	9	8⅛	8¼	8⅛	+⅛
8½	2⅞	Driller				15	3¼	3	3¼	-⅛
47½	31	Ducom	.80	2.7	107	14	30¼	d30	30	-1
11	4	Dunes	v			9	4⅛	4⅛	4⅛	+⅛
1	5-16	½Dunlop				730	9-16	½	9-16	+1-16
27½	22	Dupl	.84	3.7	10	65	23½	23	23	-⅛
22⅞	14¼	DurTst	.40b	2.7	16	65	15	14½	14½	
16⅞	10½	Dynictn	.25e	2.3	10	76	11	10½	10½	-⅛
22¼	16¼	Dyneer	.70	3.5	11	8	19⅞	19⅞	19⅞	
		E—E—E								
17½	7	EAC	.40	5.3	7	53	7⅞	7⅞	7½	+⅛
15⅛	11⅞	EECO	.32	2.4	22	2	13¼	13⅛	13¼	-⅛
11	2⅞	EagCl	n		8	997	3⅛	2⅞	3⅛	-⅛
18¼	11½	EstnCo	.72	4.1	9	2	17⅞	17½	17⅞	+⅛
9⅞	6⅛	EchoB	g.10			1727	9¼	8⅞	9¼	+⅛
7½	2⅞	ElAudD				37	2⅞	2⅞	2⅞	
22⅞	16⅞	ElcAm	1.40	7.6	53	17	18½	18⅛	18⅛	-⅛
6¼	4½	ElecSd				31	5¼	5⅛	5¼	+⅛
14⅞	8¼	Elsinor			16	103	8¼	8⅛	8⅛	-⅛
8	3½	EmCar			6	27	3½	d3¼	3½	
5½	2⅛	EnrSrv				10	2⅞	2⅞	2⅞	
7⅞	4½	Ensrc	pf.42e	9.3		16	4⅝	4½	4½	
13⅞	7⅛	Eroind			8	10	11⅛	11⅛	11⅛	+⅛
38	23¼	Espey	s.33	1.3	8	17	25¼	24⅞	25¼	+⅛
9¼	5⅛	Esprit	n			18	5½	5½	5½	-⅛
31¼	24⅞	EsqRd	.72e	2.5	6	2	28½	28½	28½	+⅛
38⅛	24⅛	EtzLav	.20e	.6	10	3	33¼	33⅛	33¼	-⅛
16¼	4⅞	EvalRs			11	37	4½	d4¼	4¼	-⅛
12¼	7⅞	EvrJB	.10	1.0		1	10¼	10¼	10¼	-⅛
12⅛	7	EvrJA	.20	2.0		1	10⅛	10⅛	10⅛	-⅛
9⅞	7½	Excel	n			12	7½	d7⅛	7½	
4½	1⅞	ExplSv			52	5	3⅛	3⅛	3⅛	+⅛
		F—F—F								
14	8⅞	FPA	s		46	2	9⅞	9⅞	9⅞	-⅛
20⅞	15	Fabind	s.35	2.0	8	1	17⅞	17⅞	17⅞	-⅛
5⅛	3	FarmC				7	4⅛	4⅛	4⅛	
18	14½	FedRlt	1.36	7.8	13	26	17½	17½	17½	-¼
1	15-16	⅛FdRes	v		9	32	⅞	⅞	11-16	+1-16
35⅛	17⅛	Felmnt	.10	.3	21	641	35	33⅞	34⅞	+1⅝
35⅞	22⅞	FAtrk	n.50	1.7	12	8	28⅞	28⅞	28⅞	+⅛
15⅞	11¼	FWymB	.80	7.0	8	236	11⅞	11⅛	11⅞	-⅛
17⅞	10	FischP			38	31	15⅛	15⅛	15⅛	-⅛
21⅞	13½	FtcGE	2.60	16	5	10	16⅛	16⅛	16⅛	+⅛
14	8½	FlanEn			38	18	9⅞	9⅞	9⅞	+⅛
30⅞	23	FlaRck	.50	1.8	9	121	28⅞	27⅞	28	-⅞
34⅞	25	FlukeJ	1.27t	4.9	17	21	26⅛	25	26	-¼
10⅞	7½	Foodrm				11	7⅛	d7⅛	7⅛	-⅛
20⅛	12	ForstC	A.14	.9	30	3	15⅛	15⅛	15⅛	-¼
40⅛	15⅞	ForstL	s		31	236	17	15⅞	16⅞	+⅞
5⅝	1	Fotomt				86	1⅛	1⅛	1⅛	-⅛
38⅞	29	Frantz	.80	2.5	15	8	32½	31⅞	31⅞	-⅞
15⅛	7⅛	FrdHlv	.40	5.7	13	7	7	d7	7	-⅛
39½	16⅛	FreqEl			16	24	16½	d16	16½	-⅛
9⅞	8	Friedm	.28b	3.2	28	3	8⅞	8⅞	8⅞	-⅛
22⅞	8¼	FrontHd	.20b	1.6		120	12⅞	12⅛	12⅛	-¼
14⅛	4⅛	FrtA	wt	17t	2.7	2	6¼	6¼	6¼	-⅛
		G—G—G								
6	3½	GlExpl				76	4¼	3½	4¼	+⅝
13⅞	6½	GRI			12	25	6⅞	6½	6½	-⅛
8⅝	4	GTI			138	13	4⅞	4⅛	4⅛	-¼
25⅞	11	GalaxC			5	7	11⅛	11⅛	11⅛	
3⅞	1½	GalvyO				631	2⅛	2⅛	2⅛	-⅛
32½	22	Garan	1.20b	3.9	8	12	31	30⅞	30⅞	-⅛
18⅞	11	GatLit	.15r	1.3		12	11⅝	11½	11⅝	+⅛
11⅛	7	Gaylrd			9	9	8	7⅞	8	-⅛
18⅞	10⅛	GelmS			17	5	11½	11½	11½	+⅛
7	3⅛	Gemco			7	51	3⅝	3⅛	3½	+⅛
26⅞	13⅛	GDefns	.72b	5.3	10	145	14	13½	13½	+⅛
6⅞	3¼	GnEmp	.10e	2.6	20	3	3⅞	3⅞	3⅞	
13⅞	6⅛	Genisco			16	49	6½	d6¼	6½	
20½	10½	GenvD	s.20	1.6	13	7	12½	12⅛	12⅛	-¼
11	9⅝	GeoRs	pf 1	10		8	9⅝	9⅝	9⅝	+⅛
25	17¼	GiantFd	.80	3.7	8	167	22	21⅝	21⅞	-⅛
23½	15½	GntYl	g			60	18⅝	18¼	18⅜	+¼
20⅛	14¼	Glatfl	s		9	38	19	18¼	18⅜	-⅛
35⅝	21½	Glnmr	.1b	3.8	11	10	26½	26⅛	26½	+⅛
6½	5⅝	GlobNR	n		113	8	5⅝	5⅝	5⅝	-¼
18⅞	11⅛	Glosor	s.40	3.6	6	89	11½	d10¾	11	-½
18¼	6⅛	GoldW				130	6⅞	6¼	6¼	
2⅞	1⅛	GldFld			8	134	1⅛	1⅛	1⅛	
20½	18½	Goldme	pf2.50	13		1	19⅛	19⅛	19⅛	+⅛
14⅞	9¼	GrahCp	.32	3.2		2	10	10	10	
27⅞	16½	GrndA	s.28	1.5	11	11	18⅝	18¼	18⅝	+⅛
36¼	16⅞	Grangr			25	481	21⅛	20⅛	20⅞	-¼
15⅝	8¼	Grant	.62t	7.4	10	38	8⅝	8⅝	8⅝	-⅛
5⅞	1⅛	Grant	wt			10	1⅞	1⅞	1⅞	
18⅞	9⅞	GrTch	n		14	7	11⅛	10⅞	11⅛	
27⅞	21⅛	GtAmI	.60e	2.1	20	18	u28½	28	28	+⅛
39⅞	24	GrnLk	s.36	1.2	16	261	30⅛	30	30	
17⅞	10⅛	Grenm	s		8	10	11⅞	11½	11⅞	+¼
13½	5⅛	Greiner				4	5⅛	5⅛	5⅛	+⅛

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
71½	53⅛	GrossT	2	2.9	17	41	69⅞	69½	69⅞	
18½	10⅞	GrdCh	s.50	4.3	10	14	11½	11½	11½	+⅛
17⅛	12⅝	GllCog	.52			157	13⅛	13¼	13⅞	+⅛
35⅞	19½	Glfstr	.30	1.3	12	101	23⅞	22⅞	23⅞	
		H—H—H								
25½	14¼	HMG	.60a	4.2		1	14⅛	14½	14½	
11⅞	7⅛	Hamptl	.93t	8.9	9	10	10½	10½	10½	-⅛
32	22	Hanfrd	.90	3.5	9	6	25⅞	25½	25½	-⅛
4⅛	1½	Harvey				124	2⅛	2	2⅛	+⅛
39⅞	17½	Hasbro	.24	.7	12	73	34¼	34⅛	34⅛	-⅛
38⅞	25⅛	Hasting	.40a	1.2	7	3	34¼	34⅛	34¼	
9¼	3½	HawaiA				32	8¼	8⅝	8⅝	-¼
16⅛	14½	HlthCr	n1.92	13	6	3	15¼	15¼	15¼	-⅛
12⅞	5¼	HlthCh			35	47	7⅞	6⅞	7	+⅛
19⅝	10⅞	HlthEx			43	37	14½	14	14½	+⅛
14⅝	10⅛	HeltHM	.55	5.0	9	8	11¼	11⅛	11⅛	-⅛
9¼	6¼	Heinwr			18	1	6⅝	6⅝	6⅝	
13	7½	Helmek	.10	1.1	11	19	8⅞	8⅝	8⅞	
18	11½	Heizer				585	16⅞	16⅝	16⅞	-⅛
7⅞	4¼	Heldor			5	5	4⅞	4⅞	4⅞	
30½	12⅛	Helionl			30	80	14⅞	14⅛	14¼	+¼
12⅛	6½	HershO			39	48	7⅞	7½	7¾	
12½	5⅞	HeGinc				9	9½	9⅛	9½	+⅛
6	3	Hindrl			38	5	3⅛	3⅛	3⅛	-½
17⅛	10⅛	Hipotron			29	12	12½	12⅛	12½	-⅛
9⅛	3½	Hofman			9	38	5½	5	5¼	+¼
14	8⅝	HollyCp	.24	2.0	33	83	11⅞	11⅞	11⅞	+⅛
32¼	15	HomH	s1.14t	7.4	13	205	15⅝	15	15⅝	
19	6	HmH	wt			42	6⅛	6	6¼	
14⅝	6⅛	HouOTr	1.54e	21		182	7½	7¼	7½	
13¼	8½	HovnE	n		8	1	8⅝	8⅝	8⅝	+⅛
35⅞	28½	HubelA	1.24	4.1	12	14	30¼	30½	30½	-⅛
37¼	28¼	HubelB	1.24	4.2	11	13	29⅞	29⅞	29⅞	
48	38	Hubbl	pf2.06	5.3		2	38¼	38½	38¼	-¼
10⅞	7⅝	Husky	g.15			47	8½	8¼	8½	-¼
		I—I—I								
34¼	22½	ICH	.25	.8	7	12	29⅞	29⅞	29¼	-¼
8½	5⅝	ICO			20	67	8⅛	7⅞	8¼	+⅛
6⅞	3	IPM			7	44	4	3⅞	3⅞	-¼
21⅛	17¼	IRTPr	1.70	9.4	6	5	18⅛	18	18⅛	+⅛
4⅛	1⅝	Impind				212	2⅛	2⅛	2⅛	+⅛
33⅞	26⅛	ImpOil	g1.40			446	29	28⅞	28⅞	
10⅝	5½	Inflight			53	29	8⅞	8½	8⅞	
6	1⅞	InstSy			14	367	2	1⅞	2	
5⅞	2⅞	InsSy	pf.25t	11		21	2½	2⅛	2⅛	-⅛
1⅛	5-16	IntgEn				300	½	5-16	5-16	
10⅝	6⅞	IntCty	g.40			141	8¼	7½	8⅛	+⅞
17¼	8¼	Intmk	s.12	1.0	7	a7	12¼	12	12¼	+⅛
7¼	3½	IntBknt	.06e	1.7		648	3¼	d3⅛	3½	
3	1⅛	IntBk	wt			250	1⅛	1⅛	1⅛	-⅛
18⅞	13½	IntCtrl	.20	1.2	11	176	17½	17	17	-⅛
15½	8¼	InHyd	n		26	11	9½	9¼	9½	+⅛
11½	6¼	IntPwr	.15	2.6		1	6⅛	6⅛	6⅛	
11	7⅛	IntSeaw	.05e	.5	42	4	9¼	9⅛	9⅛	+⅛
16⅞	4⅛	IntDta				41	5	4⅞	5	+⅛
20⅞	14⅛	Ionics			15	1	18	18	18	
24	12⅞	IroqBrd			5	9	21	20½	20⅞	-⅛
5½	4½	Isaly	n.08r	1.8	36	129	4½	4½	4½	+⅛
		J—J—J								
13⅞	9	Jaclyn	.50b	4.0	9	1	12⅞	12⅞	12⅞	
12⅞	7¼	Jacobs				6	7⅞	7½	7½	
24¼	12¼	Jensen			6	17	13½	13½	13½	-⅛
7⅛	3¼	Jetron	.49t	8.9	14	x13	5⅝	5½	5½	
11⅛	3½	JohnPd			27	41	3⅝	d3⅛	3½	-¼
28¼	21	Jupiter			5	2	22⅛	22⅛	22⅛	
		K—K—K								
19⅝	10½	KayCp	.20	1.5	22	a47	13⅝	12½	13⅝	+1½
17⅝	4½	Kenlm	n		10	117	4⅝	4⅛	4⅝	
23	14½	Kenwin	.80	5.3	16	10	15	15	15	-⅛
21	11⅝	Ketchm	.61t	5.1	16	14	12⅛	12	12	-¼
13½	5¼	KeyCo	.18e	2.5	10	18	7⅛	7	7½	
25⅞	10⅝	KeyPh	s.16	1.3	23	644	12⅞	11½	12⅞	+1⅛
8⅞	3⅛	Kidde	wt			39	3⅞	3½	3⅞	-⅛
6⅛	3⅝	Kilern			7	20	4⅛	4	4⅛	+⅛
6⅞	4⅝	Kinark			13	23	5⅛	5⅛	5⅛	+⅛
10¼	5	Kirby				128	5⅛	5	5⅛	-⅛
11	3½	Kit	Mfg			10	4⅛	4⅛	4⅛	
6	3	KleerV	g		45	27	3⅞	3½	3⅞	+⅛
24¼	8⅞	Knogo			19	101	10⅝	10½	10½	
28¼	21¼	KogerC	2.20	9.9	130	56	22¼	21⅞	22⅛	+⅛
		L—L—L								
3¼	1¼	LSB				5	1⅛	1⅛	1⅛	-⅛
6⅛	3⅛	LaBarg	.06	1.5	23	5	3⅞	3⅞	3⅞	+⅛
8½	4	LaPnt			18	15	4⅛	4⅛	4⅛	+⅛
46⅝	28½	LakeS	g			350	33⅞	33½	33⅞	+⅛
30½	22⅛	Lndml			8	42	26⅛	25½	25⅞	-⅛
31⅝	10⅛	Laser			35	88	11⅛	10⅞	11¼	-⅛
12½	3½	LazKap				13	5¼	5⅛	5¼	-⅛
4⅛	2	LeePh				6	2⅞	2⅞	2⅞	
39½	25¼	Lehigh			11	22	26¼	26½	25½	-½
9⅝	5	LeisurT			188	22	5⅝	5½	5⅝	
7⅛	3¼	Litfld				19	3⅞	3¼	3¼	
6⅛	2⅝	Lodge				4	2⅞	2⅞	2⅞	
32	18	Logicn	s.16	.8	17	1016	20¼	19½	19½	-1
29¼	17½	Lorimr			13	513	24⅞	24¼	24⅞	-⅛
38⅞	24⅝	LouisCe	1a	2.8	12	1	35⅛	35⅛	35⅛	-⅛
33⅞	9¼	Lumex	.08	.8	14	70	10½	10	10⅛	
19⅝	8⅛	LundyE			26	27	9⅛	9⅛	9¼	-⅛

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
18⅝	12	Luria	.41t	2.9	11	30	14⅛	14	14¼	+⅛
19⅛	13½	Lydall			6	5	16⅞	16⅞	16⅞	-⅛
16⅞	10⅞	LynCSy	.10	.7	19	57	14⅞	14½	14⅞	+⅛
11½	8	LynchC	.20	2.1	28	50	9⅝	9½	9½	
		M—M—M								
18	11⅝	MCOHd			12	10	12⅛	12⅛	12⅛	-⅛
6	3	MCORs			25	49	3½	3⅛	3¼	+⅛
10½	6⅛	MSA	un			3	9½	9½	9¼	+⅛
25½	13¼	MSIDt	.40	3.0	10	59	13⅞	13¼	13½	+¼
5⅞	3⅞	MSR	ng			158	4⅛	4⅛	4⅛	-⅛
5½	1½	Macrod				32	1⅞	1½	1½	
27⅞	14	MePS	2.22	13	3	15	17⅛	17⅛	17⅛	-⅛
35	7⅞	Mangd	s		22	15	23⅞	23¼	23½	
6½	4⅛	MarPg			68	47	4⅞	4½	4⅞	-⅛
22½	20⅞	Marm	pf2.35	11		1	21½	21½	21½	
32½	15⅞	Mrshl	s		12	13	23½	23⅛	23½	+⅛
10⅛	6½	MartPr			11	9	9½	9¼	9½	
18½	9½	Masind	.10p	1.1	9	7	9⅝	d9⅛	9⅝	-⅛
7½	4⅛	Matec			24	11	6	5⅞	6	
39	14½	MatRsh	.12	.7		43	16½	16⅛	16½	-⅛
32¼	18⅛	Matrix	s		19	45	18⅞	18⅛	18⅞	+⅛
22⅞	15	MayEng	.2	1.2	13	412	16⅞	16⅝	16⅞	-⅛
22⅞	14⅛	Mayflw	.70	3.6	7	21	19⅛	19⅛	19⅛	
11⅛	8⅛	McCC	n.50e	5.4		147	9½	9½	9¼	-⅛
13	2⅞	McRae	B			1	2⅞	2⅞	2⅞	
13½	7	Medalst			8	12	9	9	9	
66⅛	50½	MediaG	1.08	2.0	10	17	53¼	53	53¼	+⅛
20	12⅞	Medq	s.16	1.1	17	7	14⅛	14⅛	14⅛	-⅛
27½	19⅝	MEMCo	1.12	4.2	11	14	26¼	26½	26½	
11⅞	8½	MercSL	.59t	6.8	3	26	8⅝	d8½	8⅝	-⅛
11⅛	7½	MetPr	s.15	1.7	15	1	9	9	9	
17¼	11¼	Metex		2.3	8	7	13⅛	13⅛	13⅛	
14	4⅝	MchGn			27	130	5⅛	4⅞	5⅛	+⅛
12½	8¼	MidAm	.40	4.9	10	7	8⅛	d8⅛	8⅛	-⅛
16⅞	12½	MillerH			6	4	17½	17½	17½	
45	39½	MinP	pf 5	13		z50	40	40	40	-¼
33½	20	MtchE	.24	1.1	15	314	22¼	21⅞	22⅛	
11⅛	8½	MonMg	.52	5.6	8	2	9¼	9¼	9¼	+¼
24⅞	11½	MoogB	.22b	1.5	17	4	13⅛	13	13	
23⅞	11⅛	MoogA	.28b	2.3	16	222	12⅞	12⅛	12⅛	-⅛
16⅞	13⅝	MrgGth	1.34e	9.5	10	33	14⅛	14⅛	14½	
9½	1¼	Mortrn				11	1½	1½	1½	
25	5½	MtMed			9	64	6½	6¼	6⅝	+⅛
18½	13¼	MovStr	.60	3.6	8	20	16½	16½	16½	
7⅞	2⅞	Murpin				9	4½	4½	4½	-⅛
17¼	7⅛	MuseAr				81	7⅞	7½	7⅞	+⅛
3½	1⅝	Muse	wt			2	1½	d1½	1½	-⅛
		N—N—N								
11⅛	8	Nantck	n		9	19	8⅛	5⅞	8⅛	
33⅝	13⅝	NtPatnt			12	534	14⅛	14	14	-⅛
5½	1⅛	NelsLB				27	1½	1⅛	1½	+⅛
46½	29¼	NHampD	.80	2.8	13	8	29	d28⅝	28⅞	-⅞
19	12¼	NMxA			5	23	12⅞	12½	12⅞	+⅛
14⅛	10⅛	NProc	.50	7.8	14	9	11½	11½	11½	-⅛
26⅞	13¼	NProc	1.06e	6.9	9	139	15½	14⅞	15⅛	+⅛
30½	27½	NYTm	s.48	1.5	13	230	27	26⅝	26⅝	-⅛
14	5½	NewsE			5	87	5⅞	5⅝	5⅞	
21½	12	Newcor	.32	2.6	11	10	12½	12⅛	12⅛	
14⅞	11⅝	NwpEl	n1.44	12	6	5	12¼	12⅛	12⅛	
11⅞	6	Nichols			4	42	6½	d5⅞	6½	+⅛
5⅞	2¼	Noelnd			18	1	3½	3½	3½	+⅛
4⅛	2⅛	Nolex			13	15	2⅞	2½	2½	+⅛
18	13⅝	NCdO	g			7	15½	15½	15½	
10⅝	5½	NucDt				25	7⅛	7½	7½	
14½	8⅛	Numac	s			57	12⅛	11⅞	12⅛	+⅛
		O—O—O								
32⅞	19½	OEA			13	6	19⅞	19⅝	19⅝	-⅛
30¼	15	Oakwd	.08b	.5	11	29	15½	15	15	-⅛
15¼	8⅛	OhArt	s.40	2.6	19	44	14⅛	14¼	14½	
22½	16⅞	Oilind	.40	2.3	14	1	17⅛	17⅛	17⅛	
21⅞	13⅛	Olsten	.30	1.8	13	18	16½	16½	16½	+⅛
19⅛	10⅝	OOkiep				z1000	10⅛	d10⅛	10⅛	-⅛
15⅞	6⅛	OrolH	A.50	7.4	11	6	6⅞	6⅞	6⅞	
15⅝	6½	OrolH	B.60	9.1	11	4	6⅞	6⅞	6⅞	
6⅞	2½	Ormnd				22	2⅛	2⅛	2⅛	-⅛
7⅞	6⅛	OverSc				15	7½	7¼	7½	-⅛
12⅛	7⅛	OxfrdF	1.11t	11	13	31	10¼	10	10	-⅛
17⅞	7¼	OzarkA	.20	2.4	17	58	8¼	8	8¼	+⅛
		P—Q								
13¼	10½	PGEpfA	1.50	14		3	10⅝	10½	10½	-¼
12⅛	9⅝	PGEpfB	1.37	14		1	9⅝	9⅝	9⅝	
11	8½	PGEpfD	1.25	15		4	8½	d8½	8½	-⅛
11	8½	PGEpfE	1.25	14		9	8⅝	8⅝	8⅝	-⅛
35½	29½	PGEpfF	4.34	14		15	30⅛	29⅞	30⅛	+⅞
33½	27	PGEpfZ	4.06	15		34	28⅛	27½	27⅞	+⅛
28	21½	PGEpfY	3.20	15		14	21⅞	21⅛	21⅛	+⅛
22⅞	17½	PGEpfW	2.57	14		12	18⅛	18⅛	18⅛	
20	15½	PGEpfV	2.32	14		6	16⅛	16⅛	16⅛	
22⅞	17	PGEpfT	2.54	14		62	17⅞	17⅝	17⅝	
22⅞	17½	PGEpfS	2.62	14		6	18½	18½	18½	
20½	15½	PGEpfR	2.37	15		17	16¼	15⅞	16	-⅛
18⅛	13½	PGEpfP	2.05	14		5	14⅛	14⅛	14⅛	+⅛
17⅞	13⅝	PGEpfO	2	14		11	14	13⅞	13⅞	-⅛
19⅞	15	PGEpfL	2.25	15		3	15⅝	15⅝	15½	-⅛
17⅞	14	PGEpfK	2.04	14		86	14½	14	14⅛	-⅛
19⅛	15	PGEpfJ	2.32	15		3	16¼	15⅞	15⅞	-⅛
18⅞	15¼	PGTrn	1.12	7.1	6	41	15⅞	15⅛	15⅛	-⅛
39	32	PacLt	pf4.50	14		z6000	31½	d31½	31½	-1½
67	57	PacLt	pf7.64	14.		z8050	55½	d53⅝	55½	-1½

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
4⅞	1	Page	g			1	17-16	17-16	17-16	+1-16
42	27¼	PallCp	.40	1.3	19	51	30	29⅛	29⅞	+⅛
11¼	4½	Pantast			13	54	5½	5⅛	5½	-⅛
6¼	3½	ParaPk				4	3½	3½	3½	-⅛
7⅞	3	PayFon			22	4	3⅛	d2⅞	2⅞	-⅛
8¼	5⅞	PUMG			29	6	6⅛	6⅛	6⅛	-⅛
16¼	14½	PEC	1sr			2550	14⅛	d14	14	-⅛
12⅝	8	PeerTu	.40b	4.3	12	11	9¼	9¼	9¼	-⅛
26½	18⅝	PenTr	1.20	6.7	6	20	18⅛	d17⅞	17⅞	-⅛
3½	1⅛	PECp	.26t	13	9	13	2	1⅞	2	+⅛
28⅞	22⅞	PenRE	s2.2	7.1	10	14	u29¼	29	29⅛	+⅛
13	9⅛	PenobS	.40	4.4		4	9⅛	d9⅛	9⅛	-⅛
13⅞	9⅞	Penril	.20	1.7	13	16	12	11⅞	11⅞	-⅛
1	13-16	⅛Pentm	v			146	1⅛	1⅛	[illegible]	+1-16
33⅞	24⅛	PennE	.80	3.3	9	19	24⅛	d24⅛	24⅛	-⅛
13⅝	10⅝	Penril	n			25	11½	11	11½	-⅛
17¼	3⅞	PetLew	1.45t	29	17	413	5⅛	4⅞	5⅛	+⅛
8½	1	PetLe	wt			74	1½	1	1	
12½	7⅛	PetLe	pf1.65	18		34	9½	9	9½	
16⅞	10½	PetLe	pf2.28	19		19	11⅞	11½	11½	+⅛
25	14½	PetLe	pf3.33	19		7	19½	18	18½	
4⅛	2¼	PhilLD	.44e	18	5	46	2½	2⅜	2⅜	
23¼	7⅛	PicoPd			29	35	7½	7½	7½	-⅛
7⅛	4⅛	Pier 1	wt			6	4⅛	4⅛	4⅛	
14½	7¼	PionrSy			9	30	9⅛	8	8¼	+⅛
7⅞	5	PittWa	.52	9.0		29	5¼	5	5¼	+⅛
20½	15⅛	PitDM	.40	2.5		8	16¼	16½	16½	-⅛
17½	8⅝	Pizzain	.08e	.9	9	58	9	8⅞	9	+⅛
23⅞	15½	PlasD	g.20			27	15⅞	d15¾	15⅞	+⅛
3⅛	1⅛	Plamin				14	1½	1⅛	1½	
15⅞	10¼	PlyGm	.20	1.3	11	38	15¼	15	15	+⅛
30	18	PneuSc	1a	3.8	12	6	26⅛	26½	26½	
18⅛	5⅞	PopeEv			80	103	6	5⅞	6	
17	9⅛	PortSy	s		130	52	9⅞	9⅝	9⅝	-⅛
17⅛	12	PostlP	s		14	1	13½	13½	13½	
23⅝	10⅞	PowrT	.30b	1.7	600	9	19	17⅞	17⅞	+⅛
25	18⅞	PrarO	g			7	22	22	22	-⅛
23¼	17	PrattL	s.92	4.8	7	10	19⅛	19⅛	19⅛	-⅛
9⅝	7⅛	PrattRd	.30	4.2	21	11	7⅛	7⅛	7⅛	-⅛
8½	7	PratR	pf.66	9.4		m	7⅛	7	7	
2⅛	⅛	PremRs				68	15-16	⅞	⅞	
63⅞	41	PrenHa	1.84	4.4	11	407	43⅛	41	41½	-1½
8¼	6	PresR	B.72	9.9	4	21	7⅛	7¼	7¼	-⅛
5½	3½	Presid			25	79	6⅛	5	6⅛	+⅛
35¼	30⅛	PropCT	2.79e	8.9	9	43	31⅛	31⅛	31⅛	+⅛
23½	17⅞	ProvEn	1.40	6.6	6	5	21⅛	21⅛	21⅛	+⅛
19⅛	15½	Pgt	pf2.34	15		1	15¼	15¼	15¼	
34¼	25⅞	Pgt	pfE4.38	15		11	29⅞	29½	29½	+⅛
19½	15½	Pgt	pfD2.34	15		1	16	16	16	-⅛
14½	7⅛	PunteG				2	7⅛	7⅛	7⅛	+⅛
		R—R—R								
15⅛	5⅛	RAI	.511	8.6	50	4	6⅛	6	6	
18	12⅝	REDM			8	19	13⅛	13⅛	13⅛	-⅛
36¼	20⅛	REIT	2.20	6.6	19	9	34⅛	33⅛	33⅛	-⅛
9	4	RMSEI				7	4⅝	4½	4½	
17½	4⅞	RTC	.12t			20	5⅛	5	5	
18½	11⅞	Ragan	.12e	.9	20	192	13⅛	12½	13	-⅛
35¼	20½	RnchE	s.18t	.6	15	72	29⅛	28⅞	28⅞	-⅛
26⅛	13½	Ransbg	.72	5.2		69	13⅞	13½	13½	-⅛
6⅞	2½	Raybst				25	2⅞	2½	2⅞	+⅛
15¼	10	Raven	.36	3.1	8	1	11⅛	11⅛	11⅛	
23½	17⅛	Raymin	.26	1.4	12	7	19⅛	19⅛	19⅛	
16⅞	11⅞	REst	n1.64	13	12	45	12⅞	12⅞	12⅞	
1⅞	1⅛	REst	wt			33	1⅛	1⅛	1⅛	-⅛
6⅛	6½	RlincT			14	7	[illegible]	[illegible]	[illegible]	
3⅞	1½	Redlaw				16	2	2	2	+⅛
7½	1⅛	Rofrmt				11	1⅛	1⅛	1⅛	
17⅞	9⅞	ReptB	s.56	3.6	14	61	15½	15⅛	15½	
15¼	4⅞	RepGy	s.50	3.7	11	15	14½	13⅞	13⅞	-⅛
53¼	29⅞	ResrtA			16	334	32⅞	32	32	+⅛
17⅞	11-16	Resrt	wt			510	11-16	11-16	11-16	
10⅞	6⅛	RestAsc			8	2	6⅞	6⅞	6⅞	
5⅝	2⅞	RexNor			10	6	4	4	4	+⅛
21	9⅞	RibletP	.20	1.6	7	41	12⅞	12½	12½	
16⅞	12¼	RioAlg	s.65	4.5		6	12⅞	d12⅛	12⅛	-⅛
4⅛	1⅛	RioGDr				27	3⅛	3	3	-⅛
44⅛	27⅞	Rchway	1	3.2	16	14	31⅛	31	31	-⅛
37¼	26	Rogers	.12	.5	15	16	26⅛	25½	25½	-⅛
6½	2½	RoyPlm				34	4⅛	4⅛	4⅛	
29⅞	20	Rudick	.56a	2.2	9	1	25⅛	25⅛	25⅛	+⅛
5⅞	3⅞	RBW			9	5	4	4	4	+⅛
18⅛	12½	Russell	s.30	2.4	9	109	12⅞	d12⅛	12⅛	
18⅝	11¼	Rykoff	.50	4.3	10	15	11⅝	11½	11½	-⅛
		S—S—S								
7⅛	4⅝	SFM				1	5⅛	5	5⅛	+⅛
14⅛	10⅛	SGL	s.29	2.1	14	11	13½	13¼	13½	+⅛
6½	4	SMD				11	4⅛	4⅛	4⅛	
7⅞	4⅛	SPWCp				5	4⅝	4⅝	4⅝	
18⅝	9⅞	Sage			8	1	11⅛	11⅛	11⅛	+⅛
12½	9⅝	Salem	.40	4.2		2	9⅝	d9½	9½	-⅛
6¼	2⅝	SCarlo			14	4	3	2⅞	2⅞	
7⅛	6½	SDgo	pf.90	13		2	7	7	7	-⅛
37¼	32⅞	SDgo	pf4.65	14		10	33½	33	33½	+⅛
36	30½	SanJW	2.65	7.8	7	4	34	34	34	
36	13⅝	Sandgte	.80	2.7	10	5	30⅛	30⅛	30⅛	-⅛
7½	4⅛	Sanmrk	.54t	12	10	11	4⅝	4½	4⅝	
11⅛	6⅛	Sargent			7	43	6⅞	6⅞	6⅞	+⅛
7¼	4⅛	Saund	B.15	3.2	5	3	4⅝	4⅝	4⅝	+⅛
7⅞	4⅛	Saund	A.20	4.3	5	5	4⅝	4⅝	4⅝	+⅛

Continued on Page 24

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 22

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
52¼	34¼	NACoal	1.20	7		x33	49¼	48⅞	49¼	
39⅛	30⅛	NAPhl	s 1	3.3	8	97	30½	30⅛	30½	-⅛
21⅞	18	NEurO	1.99e	10	10	33	19⅞	19⅛	19¼	+⅛
13⅞	10⅝	NoestUt	1.48	13	4	x8954	11⅛	10⅞	11	+⅛
15½	13	NIndPS	1.56	12	7	350	13¼	d12⅞	13	
40¼	32	NoStPw	3.24	8.9	6	48	36½	36¼	36¼	
34	29	NSPw	pf3.60	12.		z250	30½	29½	29½	
39	32	NSPw	pf4.10	12.		z200	34	34	34	+½
49⅛	30¼	NorTel	s.40	1.3		3058	31¼	30½	30½	-⅛
6⅞	4	Nthgat	g			105	4¼	4	4⅛	+⅛
98¼	71	Nortrp	1.80	2.2	10	72	83¼	82⅛	83¼	+¼
65½	34⅛	NwstAir	.80	2.3	11	631	35	34⅝	35	+¼
53½	37¼	NwtInd	2.68	5.6		2387	48⅛	47⅞	48	-⅛
23⅞	20¼	NwtP	pf2.50	12.		5	21	21	21	-⅛
21⅞	19½	NwtP	pf2.36	12		50	20¼	20¼	20¼	-½
26⅞	14½	NwStW				7	14⅞	14⅞	14⅞	-⅛
47⅞	32	Norton	2	5.6	15	95	36	35⅛	36	+⅛
39½	27	Norwst	1.80	6.5	7	398	27⅞	27⅛	27½	+½
58½	54⅛	Nwst	pf5.75e	10		250	56⅞	55½	55⅞	-¼
73½	43	Novo	.29e	.7	15	365	43⅞	43⅛	43¼	+⅛
44¼	27¼	Nucor	s.36	1.3	13	430	27½	d26⅝	27¼	-⅛
28	4⅝	NutriS	.32	6.2	5	69	5¼	5⅛	5⅛	-⅛
68⅞	58	NYNX	n 6	10	6	1333	60¼	59⅞	59⅞	-⅛
		O—O—O								
12⅞	3⅛	Oakind				324	3½	3⅛	3⅛	-⅛
35¼	22	OcciPet	2.50	7.8	26	3178	32⅛	31⅞	32⅛	+⅛
17	14⅝	OcciP	wt			11	14⅝	14⅝	14⅝	
55⅞	35¼	OcciP	pf2.16	4.3		1	50⅝	50⅝	50⅝	-6
23⅞	18⅞	OcciP	pf2.50	11		37	23⅞	23⅛	23⅛	
20¼	16⅛	OcciP	pf2.12	11		38	u20⅛	20⅛	20⅛	
22⅞	17	OcciP	pf2.30	11.		15	21⅞	21⅞	21⅞	
112½	102¼	OcciP	pf15.50	14		2914	111⅛	111⅛	111⅛	-⅛
108⅛	99⅞	Occi	pf14.62	14.		3	107⅞	107⅞	107⅞	-⅛
34½	23	ODECO	1	3.2	15	194	31⅛	30¼	31	+⅝
34⅞	24⅛	Ogden	1.80	6.8	10	20	26½	26¼	26⅜	
16⅛	9⅛	OhioEd	1.84	16	5	2497	11⅝	11¼	11⅝	+⅛
32½	23½	OhEd	pf3.80	16		z100	24	24	24	
37½	25⅛	OhEd	pf4.44	16		z100	27½	27½	27½	+1½
59⅛	45	OhEd	pf7.36	18		x184	43⅛	d42	42	-1⅛
28⅞	19½	OhEd	pf3.50	17		52	21¼	20½	20½	
31⅞	21⅝	OhEd	pr3.92	17		17	23	22½	22⅞	+⅛
16	10⅛	OhEd	pf1.80	16		103	11⅝	11¼	11½	+¼
72½	51⅛	OhEd	pf9.12	17.		z20	55	54	55	+1
70	50⅛	OhEd	pf8.64	17		x325	51½	51½	51½	+1⅛
91½	82⅞	OhE	pf10.48	13		y20	82⅞	82⅞	82⅞	
94¼	83½	OhE	pf10.78	13		z240	85	85	85	
63½	52⅞	OhP	pfB7.60	14		z100	53½	53½	53½	-½
31	26¼	OhP	pfH3.75	14.		1	27	27	27	
19¼	15¼	OhP	pfG2.27	14		150	15⅞	15¼	15⅞	-⅛
108½	100	OhP	pfA 14	14		z5050	101	100⅞	100⅞	-1⅛
21⅞	17½	OklaGE	1.92	9.9	7	1109	19½	19¼	19⅜	+⅛
8⅞	7¼	OklaG	pf.80	10.		z100	8	8	8	+½
34	25⅛	Olin	1.32	4.9	8	762	27	26⅞	27	-⅛
30½	20⅞	Omark	1.04	4.5	13	1	23	23	23	+⅛
47½	18	Omnicre	.92	5.1	10	x151	18⅞	d17¼	18⅛	+⅛
25⅞	17½	Oneida	.80	4.4		2	18½	18⅛	18⅛	-½
32¼	25⅛	ONEOK	2.56	8.6	8	59	29⅝	29⅞	29⅞	-⅛
21⅞	17¼	OranRk	1.92	9.9	7	56	19½	19⅛	19⅛	-⅛
8⅞	6¼	Orange			12	86	8¼	8	8¼	+¼
30⅛	19⅛	OrionC	.76	3.8	12	72	19⅞	d19½	19⅝	
27¼	10	OrionP			21	273	11⅝	11⅛	11½	+⅛
16⅞	8	Orion	pf.50	5.5		10	9⅛	9⅛	9⅛	
55¼	34½	OutbM	1.28	3.0	8	786	43⅛	42¼	42½	-¼
21¼	14¼	OvrhDr	.60	3.9	10	31	15⅝	15⅜	15½	+⅛
33¼	17	OvnTr	.56	3.1	8	x758	18¼	17⅞	18⅛	+½
23⅞	16	OvShp	.50	3.2	8	320	16	d15⅛	15⅝	-¼
45⅞	27⅞	OwenC	1.20	4.1	9	426	29⅝	29	29½	+½
41⅞	31⅛	OwenIll	1.68	4.9	12	357	34⅞	33¼	34⅛	+⅞
124	98	OwnI	pf4.75	4.7		v2	101½	99	101½	+1⅛
25¼	12⅛	Oxford	s.40	2.8	6	107	14⅛	13⅞	14⅛	+⅛
		P—Q								
46⅞	18¼	PHH	.84	4.6	8	576	19⅞	d18¼	18⅜	-⅞
16½	12	PNBMt	1.50e	12	8	183	12⅛	12⅛	12⅛	
38	26¼	PPG	s1.44	5.4	7	897	27⅛	26⅞	26½	-¼
34⅛	18¼	PSA	.60	3.0		273	19⅞	19½	19⅞	+⅛
25⅛	16¼	PSA	dpf1.90	12		6	16½	16½	16½	-⅛
12⅞	11⅛	PacAS	1.50	13		44	11⅝	11⅝	11⅝	-⅛
16⅞	12⅛	PacGE	s1.72	13	6	3831	13½	13½	13½	
39	31½	PacLtg	3.16	9.4	7	123	33½	33¼	33½	+⅛
28½	20½	PacLum	1.20	5.4	14	341	22¼	22	22⅛	-⅛
25½	21	PacPw	2.18	9.7	6	238	22⅝	22¼	22⅛	-⅛
31	26¼	PacP	pf3.75	14		9	27	26⅞	27	-⅛
33	28	PacP	pf4.07	14		70	29	28⅞	29	-⅛
14⅛	8⅛	PacRes	.90t	10.	6	x69	8⅞	8¼	8⅞	+¼
20⅞	17⅞	PacRs	pf 2	12		x29	17½	d17	17	-⅛
36⅞	11⅞	PacSci	.40	3.3	7	39	12⅛	11⅞	12	+⅛
62⅞	51¼	PcTel	n5.40	9.6	7	1349	56½	56	56⅛	+⅛
61⅞	23⅝	PainWb	.60	2.2	9	469	27⅞	26¼	26⅞	-⅛
38⅞	24⅝	PalmBc	1.20	4.4	7	10	27½	27¼	27¼	-⅛
25	18⅝	PanABk	.66	3.0	6	x147	22½	22	22	-¼
9¼	5	PanAm				1161	5½	5⅛	5⅝	
6	2½	PanA	wt			195	2⅞	2⅛	2⅛	-⅛
22⅞	15	Pandck	n.20	1.2	11	36	16⅞	15⅞	16½	-⅛
40	27⅛	PanhEC	2.30	6.6	9	65	34⅞	34¼	34⅞	
7⅛	3⅛	PantPr			13	1686	3⅞	3⅛	3⅛	
20½	12	Paprcft	.76	5.6	12	24	13½	13¼	13½	+⅛
26½	12	Pardyn			399	882	14⅞	14⅛	14⅛	+⅛
38	17⅛	ParkE	s		14	84	23⅞	22⅞	23⅞	+⅛
13⅛	8½	ParkDrl	.16	1.5		447	10⅞	10½	10½	-⅛
37	24½	ParkH	1.04	3.8	13	579	29⅛	28⅞	28⅞	-½
21⅞	12½	ParkPn	.52	3.9	19	52	13½	13⅛	13⅛	+⅛
26⅞	17	Parsn	s 1	4.4	12	82	22⅞	21⅞	22⅞	+⅞
7⅛	1⅛	PatPtrl				447	2⅛	2	2⅛	
20⅛	14	PayN	s.34	2.2	11	23	15½	15¼	15⅜	-⅛
24	12⅛	PayNP	.60	4.1	13	37	14½	14¼	14½	+¼
34½	15	PayCsh	.16	1.0	13	x179	16½	16⅛	16⅜	+⅛
15⅛	9½	Peabdy	.20	2.1		135	9⅝	d9⅛	9½	-⅛
3⅝	1⅛	Pengo				49	1⅛	1¼	1⅛	
46¼	34	PenCen				802	43⅞	42⅞	43¼	+⅛
115	88	PenC	pr5.27	4.9		30	108½	107¼	108	+⅞
66⅛	47⅞	Penney	2.36	4.8	8	2064	50	49⅛	49½	-½
24½	19½	PaPL	2.48	11.	7	1693	21⅝	21¼	21⅝	-⅛
38	30⅝	PaPL	pf4.40	14		z250	34	32½	32½	
40	31	PaPL	pf4.50	14		z100	31⅝	31⅝	31⅝	
70	59½	PaPL	pf8.60	14		z150	60½	60	60½	
24	21	PaPL	dpr2.90	14		5	21	21	21	
68½	59⅛	PaPL	pr8.40	14		z160	61	59⅞	61	+1¼

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
27¼	22⅝	PaPL	dpr3.25	14.		2	23⅛	23½	23⅛	
31	25½	PaPL	dpr3.75	14.		4	26½	26¼	26¼	-½
84½	67	PaPL	pf9.24	14		z30	68	68	68	
106	97¼	PaPL	pr 13	13.		z10	100	100	100	+¼
68½	56	PaPL	pr 8	14.		z500	57	56½	56½	-2
70½	59½	PaPL	pr8.70	14		z150	61	60½	61	+½
45⅛	32½	Pennwlt	2.20	6.8	9	85	32½	d32	32½	
26½	20½	Pennw	pf1.60	7.6		18	21⅛	21	21⅛	-⅛
42½	31¼	Pennzol	2.20	6.1	12	2384	36⅛	35⅛	35⅞	-⅞
10⅛	8¼	PeopEn	1.06	11	5	2727	9⅝	9⅝	9⅝	
34⅛	23⅛	PepBoy	.36	1.4	13	234	25⅛	24½	25⅛	+⅛
41⅞	32⅞	PepsiCo	1.68	4.2	13	1731	40⅛	40	40	-⅛
37½	20	PerkEl	.50	2.6	16	997	20	d19⅛	19½	-½
10½	9	Prmian	1.19e	12.	8	356	9⅝	9½	9⅝	+⅛
22⅞	12⅞	PeryD	s.24	1.8	12	145	13	12½	13	+½
40	26	Petne	1.40	4.9	13	743	29	28½	28⅞	+⅛
18	11⅝	Petrin	.50	4.0		698	12⅛	12⅛	12⅛	-½
33¼	27⅞	PetRs	3.59e	12.		32	29⅝	29½	29½	-⅛
18¼	15	PetRs	pf1.57	10		25	15⅛	15⅛	15⅛	-⅛
12	6¼	Ptrlnv	n1.25e	17.		50	7½	7¼	7⅛	
44⅞	30⅝	Pfizer	s1.32	4.2	11	4675	32	31½	31½	
33¼	19⅞	PhelpD				171	20⅛	d19⅝	19⅞	+½
41	25½	PhibS	s.54	2.1	8	6165	26	d24⅞	25⅛	-⅝
17¾	11⅞	PhilaEl	2.20	18	5	1161	12½	12¼	12½	+⅛
35½	24	PhilE	pf4.30	16.		z10	27	27	27	+1
60	41	PhilE	pf 7	17		z130	41	41	41	-¼
70⅛	51	PhilE	pf8.75	17.		z300	51	d50½	50½	-½
10¼	7⅞	PhilE	pf1.33	16		47	8⅛	8¼	8¼	-⅛
11⅛	7⅞	PhilE	pf1.28	16		41	7⅞	7⅞	7⅞	+⅛
126	101½	Phil	pf17.13	16		z50	104½	104½	104½	-1
117	98	PhilE	pf15.25	16		z20	98	d98	98	-1
78¼	55	PhilE	pf9.50	17		z60	55½	55	55	-⅛
63½	45	PhilE	pf7.80	17.		z610	46⅝	46½	46⅝	+⅛
61	40½	PhilE	pf7.75	17.		z200	45½	45½	45½	+½
20	14⅝	PhilSub	1.32	7.8	9	8	17	16⅞	16⅞	-⅛
75¼	55⅞	PhilMr	3.40	5.4	9	2455	64¼	63⅞	63¾	-⅛
20	11	Phlin	s.40	3.4	8	228	11⅞	11	11⅞	+⅛
45¼	31¼	PhilPet	2.40	6.0	8	2541	40	39⅛	39⅞	+⅛
25½	12½	PhilVH	s.40	1.9	7	469	21	18⅞	21	+1½
42⅛	27⅛	PiedAvi	.28	1.0	8	601	28½	27⅞	28	
29½	19	PieNG	2.08	7.3	7	12	28½	28¼	28½	
21⅞	14	Pier 1			9	63	15⅛	15	15¼	-⅛
41½	27⅞	Pilsby	s1.40	3.7	9	636	38¼	37⅞	37½	+⅛
33¼	22	Pioneer	1.24	4.6	14	919	27	26¼	27	-¼
32⅞	18¼	PionrEl	.18e	.8	47	2	22¼	22¼	22¼	-⅞
36½	26½	PitnyB	s1.04	3.4	12	1430	30⅛	30	30½	+⅛
18¼	13	Pittstn				239	13⅛	13⅛	13½	-⅛
21⅛	11⅛	PlanRsc	.15e	1.0	9	214	14½	14½	14½	
24½	14	Plantrn	.16	1.0	14	29	16⅝	16⅛	16½	-¼
14⅛	7⅛	Playboy			5	43	9⅛	8⅞	9⅛	+¼
33⅛	20⅛	Pneum	.60	2.6	9	96	23⅛	22½	23⅛	+⅛
28¼	19⅛	PogoPd	.60	2.8	26	50	21½	21⅛	21⅞	
37¼	25½	Polarid	1	3.7	15	388	27	26⅝	26⅞	-½
25¼	16	Pondrs	.40	2	13	48	19⅞	19⅛	19⅝	+½
30¼	16¼	PopTal	.80	4.7	9	76	17⅛	17	17	-⅛
18⅝	14	Portec	.40	2.8		11	14⅞	14⅛	14⅛	
86	76	Portr	pf5.50	6.6		z20	83½	83½	83½	
15⅞	13	PortGE	1.82	13	4	166	14⅛	14	14	
100	90⅝	PoG	pf11.50	12		z200	92½	92⅛	92⅛	-1⅛
21⅞	18⅛	PorG	pf2.60	14		1	18⅞	18⅞	18⅞	-½
34½	28¼	PorG	pf4.40	15.		10	30	29¼	29⅞	+¼
34	27⅞	PorG	pf4.32	15		9	30	29	29	
41¼	28⅛	Potlch	1.48	5.0	13	124	30	29¼	29⅞	+½
23½	17⅛	PotmEl	1.94	9.9	7	571	19⅞	19⅛	19½	-⅛
42	36	PotEl	pf4.50	12		z100	37	37	37	-½
39½	31½	PotEl	pf4.04	13		z300	31½	31½	31½	
13½	8	PranP			20	22	11⅛	11⅛	11⅛	-⅛
38⅛	25¼	Premrl	.44	1.6	15	12	27⅞	27	27⅛	+⅛
20¼	11⅛	Presly	s.30	2.8	7	59	11½	11⅛	11½	
28	20⅞	Primk	s1.80	6.9	5	40	26½	26⅛	26⅛	-⅛
25½	12⅞	PrmC	s		16	857	13⅞	13	13½	+⅛
25⅛	16	PrmM	s.12	.7	16	138	18½	18	18¼	-¼
60¼	45⅝	ProctG	2.40	5.0	9	1868	48¼	47½	48	+½
16	8⅞	PrdRsh	.28	2.9	20	78	10	9¼	9¼	-⅛
36⅛	26⅛	Proler	1.40	4.3	18	2	32½	32½	32½	-¼
19	16⅛	PSvCol	1.92	11.	8	329	16⅞	16⅝	16⅝	+⅛
19⅛	16½	PSCol	pf2.10	13		5	16½	16½	16½	-⅛
27⅞	7⅛	PSInd	1	12.	2	1049	8½	8⅛	8⅛	+⅛
32⅛	19¼	PSIn	pf3.50	18.		z100	19½	19½	19½	-⅛
9¼	6½	PSIn	pf1.04	15		z2300	6⅞	6¼	6⅞	+⅛
61	38⅞	PSIn	pf7.15	18		z10	39	39	39	
79	49⅞	PSIn	pf9.44	18.		z150	53½	52½	52½	+½
68⅛	43	PSIn	pf8.38	18		z260	45½	45½	45½	
18⅝	3⅝	PSvNH	.53j		1	398	5½	5¼	5¼	-⅛
23	6	PSNH	pf.69j			z700	9½	9¼	9½	-¼
22⅝	6⅞	PNH	pfB.70j			9	9⅛	9⅝	9⅝	+⅛
33	8½	PNH	pfC1.06j			12	13½	13	13⅛	+⅛
29⅛	7	PNH	pfD.94j			39	12⅛	12	12	+⅛
30¼	7	PNH	pfE.96j			17	11¼	11¼	11¼	-¼
25	5⅞	PNH	pfF.81j			12	10⅛	9⅛	9⅛	-⅞
23⅝	7⅛	PNH	pfG.86j			89	10⅞	10½	10⅝	+⅛
29⅞	20⅞	PSvNM	2.84	13	6	268	21⅞	21½	21⅛	-⅛
26½	20⅛	PSvEG	2.72	12	6	1477	21⅞	21⅛	21⅞	
13	10⅛	PSEG	pf1.40	13		18	10½	10¼	10½	+⅛
44	34	PSEG	pf5.05	13.		z100	38	38	38	-1½
46	37⅛	PSEG	pf5.28	14.		z70	39¼	39	39	-¼
19	15¼	PSEG	pf2.17	14		10	15⅝	15⅝	15⅝	-⅛
69½	56½	PSEG	pf7.80	13		z6500	57⅞	57⅞	57⅞	+⅛
64⅝	55	PSEG	pf7.52	13		z40	56¼	56¼	56¼	-1¼
65¼	53½	PSEG	pf7.40	14.		z6000	52⅞	d52¾	52⅞	-2½
6	3⅛	Publick				21	3¼	3⅛	3¼	+⅛
11¼	7⅛	Pueblo	.16	1.8	9	225	9¼	9	9	-⅛
12¼	5½	PRCem			5	35	8¼	8½	8½	-⅛
15¼	9⅞	PugetP	1.76	17	5	194	10⅛	10½	10⅝	+⅛
37½	12⅝	PulteH	s.12	1.0	8	425	12⅛	d12¼	12⅝	
70	32¼	Purolat	1.24	3.6	10	112	34¼	33¼	34½	+1
8⅝	5⅛	Pyro			8	75	7⅛	7⅛	7¼	
64⅝	42⅞	QuakO	2.20	3.7	10	453	60	59¼	59½	
20½	15¼	QuakSO	.80a	4.7	10	134	17	16⅞	16⅞	+¼
12½	7½	Quanex			17	113	9½	9⅛	9¼	-⅛
26¼	14	QkReil	n.15e	.9	12	137	16⅞	16¼	16¼	+⅛
		R—R—R								
30¼	12⅞	RBInd	.16	1.2	19	x109	13	12⅞	13	+⅛
38⅛	25⅝	RCA	.90	2.8	14	1295	32¼	31⅝	31⅞	-⅛
30⅞	23½	RCA	pf2.12	7.9		27	27¼	26½	26⅞	+⅛
33½	29¼	RCA	pf3.65	12		12	32	31⅝	31⅝	-½
12¼	8⅛	RLC	s.20	2.6	13	35	8⅛	d7⅞	7⅞	-½
18⅝	12⅛	RTE	.50	3.7	7	9	13⅛	13¼	13⅛	+⅛
31	20	RalsPur	.92	3.3	10	1408	28	27⅞	27⅞	
11⅞	6⅛	Ramad			13	549	7	6⅞	7	+⅛

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
21⅛	17½	Ranco	.84	4.5	9	52	18¼	18	18¼	-⅛
13⅛	7⅛	RangrO			10	523	7½	7⅛	7½	+⅛
93	52½	Raycm	.44	.8	18	1313	53⅞	53¼	53⅞	+⅛
14	8⅞	Raymk				1	10⅛	10⅛	10⅛	+⅛
57½	35¼	Raytmn	1.40	3.9	10	2459	35⅞	35¼	35½	-¼
18½	10⅛	ReadBt	.40	3.3	22	106	12⅛	12⅛	12⅛	-⅛
27	21¼	RdBat	pf2.13	9.7		2	21⅞	21⅞	21⅞	
13½	9½	RltRef	1.35	14	7	1	9⅝	9⅝	9⅝	
17½	11	RecnEq			17	114	12	11⅞	11⅞	-⅛
27½	8	Redmn	.30	3.4	10	141	8⅞	8⅝	8⅞	
10½	7½	Reece			13	30	8⅛	8¼	8¼	-⅛
2⅞	1¼	Regal				186	1½	1⅛	1½	
38⅞	25⅛	RechC	.60	2.3	9	53	25⅞	25⅛	25⅞	+⅛
8⅛	3⅛	RepAir				552	3⅝	3⅛	3½	-⅛
4¼	1½	RepA	wt			114	1⅝	1¼	1½	-⅛
35¼	22¼	RepCp	.60	2.2	9	15	27⅞	27	27⅞	+⅛
48	32¼	RepNY	1.60	5.0	6	107	32¼	d32	32¼	
21¼	18	RNY	pf2.12	11		10	18½	18¼	18⅛	
59⅞	55	RNY	pfA6.11e	11		247	57½	56⅞	55½	
52¼	47	RNY	pfB			5	46½	d45½	45½	-½
31⅞	19½	RepStl	.50	2.1		993	24¼	23½	24⅛	+⅛
85½	58	RepSt	pf5.25	7.7		100	67⅛	67⅛	67⅞	-5⅛
38⅛	27⅝	RepBk	1.64	5.9	7	59	28	27⅞	27⅞	-⅛
20½	13¼	RshCot	.32	2.1	115	228	15⅛	15	15	-⅛
37½	23⅛	Revco	.68	2.7	11	806	25¼	24⅞	25⅛	+⅛
14⅞	9½	vjRever			2	93	11⅞	11⅝	11⅞	
39⅛	28⅝	Revlon	1.84	4.9	13	9019	38¼	37⅞	37⅞	+½
25½	18⅛	Rexham	.70	3.6	9	13	20	19⅝	19½	-⅛
20¼	14⅛	Rexnrd	.40	2.3	32	227	17½	17⅛	17⅛	
66⅞	49⅞	Reynln	3.20	5.6	8	1854	57⅞	57½	57⅛	-⅛
59⅞	55½	Reynl	wn			115	56⅛	56½	55⅞	
48	44⅛	Reyln	pf4.10	8.8		3	46⅛	46⅛	46⅛	-⅛
109	101⅞	Reyln	pf			144	104⅛	104⅛	104¼	-⅛
41⅝	26⅝	ReyMd	1	3.6		59	27⅞	27½	27⅝	+⅛
29⅞	23⅞	RchVck	1.48	6.0	11	3732	24⅞	24½	24½	-½
34⅞	23	RiegelT	1.80	5.6	35	21	32⅛	32½	32¼	-⅛
62½	36⅞	RioGran	1.60	4.1	6	225	39⅛	38⅞	38¼	+⅛
23⅞	17½	RiteA	s.41	2.2	11	300	18⅝	18½	18½	+⅛
35⅞	23¼	Robsh	s 1	3.3	8	41	30½	29½	30½	+⅛
48½	33	Robtsn	1.60	3.8	13	69	42⅛	41⅝	42	+⅛
29⅞	15⅞	Robins	.68	4.1	7	99	17	16½	16⅝	+⅛
18⅝	12¼	RochG	2.04	15	4	123	14	13⅛	13⅛	-⅛
32¼	27½	RochTl	2.28	8.1	8	68	28⅛	28¼	28¼	-⅛
35½	23	Rockwl	1	4.1	9	1453	24⅞	24⅛	24½	+⅛
81	49½	RohmH	1.60	2.7	9	10	58⅝	58⅛	58⅜	-¼
37⅞	25¼	Rohrin			7	48	33¼	32⅝	33¼	+½
18⅞	9⅛	RolnEn			21	32	12	11⅞	12	+¼
21½	13½	Rollins	.70	3.9	99	105	18	17½	17¼	-⅛
80	28¼	RolmCp			23	339	33½	33⅛	33½	-⅛
7½	3¼	Ronson				73	3½	3½	3¼	
29⅞	13⅞	Roper	s.50	3.7	5	146	13⅞	d13½	13½	-½
34½	25¼	Rorer	1.08	3.8	14	257	28½	28	28⅛	-⅛
15½	10	Rowan	.08	.6	53	945	12⅝	12¼	12½	+⅛
38⅞	23	RCCos	1.04	2.8	20	65	37⅛	37⅛	37⅞	+⅛
54⅞	40⅛	RoylD	2.82e	5.5	5	1562	50⅞	50¼	50⅞	-⅛
50	32⅞	Rubrmd	.72	2.1	14	71	34⅞	34	34¼	-⅛
16¼	13	RussB	n		12	21	15⅛	15⅛	15½	+⅛
25⅛	16⅝	RusTg	s.75	4.2	8	8	18½	18⅛	18⅛	
50	20⅛	RyanH	1	5.0	7	78	20⅞	d20	20	-⅛
61⅞	36⅝	RyderS	1.08b	2.8	8	952	39⅛	d38¼	38⅞	-½
38	14¼	Rymd	s.60	3.7	7	182	16¼	16	16¼	+⅛
22⅛	11½	Rymer	s			4	11⅛	d11⅛	11⅛	-⅛
		S—S—S								
20	10¼	SCA	.20	1.7	13	219	12	11¾	12	+⅛
41⅞	31½	SCM	2	5.3	10	312	38	37¼	38	+⅛
47	24⅛	SFN	1.24	5.0	9	82	25	24⅝	24⅝	
30⅝	17	SPSTec	.72	3.0	20	42	24	24	24	
27	17¼	Sabine	.04	.2	26	54	23	22¼	22¼	-½
26⅞	20⅛	SabnRy	2.83e	13		59	21⅞	21½	21⅛	
23½	13	SfgdBs	s.24	1.5	16	17	15¼	15⅛	15½	+⅛
8⅝	5	SfgdSc				51	7¼	7	7	-¼
2⅞	¼	SfgdS	wt			26	1⅛	1⅛	1⅛	-⅛
46½	29	SafKln	n.40	1.2	18	234	32½	32⅛	32¼	-½
28⅞	22⅛	Safewy	1.50	6.8	7	x835	22⅛	d21⅛	22	+⅛
40¼	24⅝	Saga	.44	1.6	12	38	28½	28	28¼	
18	12⅛	StJoLP	1.60	9.8	5	12	16½	16¼	16¼	-⅛
10⅝	9⅛	StPaul	1.16	13		68	9⅛	9⅛	9⅛	-⅛
44⅛	25⅞	StRegis	1.12	3.2	20	1583	35⅛	34⅞	35	-¼
13½	9⅛	Salant	.40	4.0	67	8	10	10	10	
28¼	20¼	SalleM	.11	.5	15	122	23	22½	22⅞	
51½	49¼	SalM	pf3.67e	7.1		300	51⅛	51¼	51⅞	-⅛
22	17⅛	SDieGs	2.10	11	6	2421	18⅞	18⅝	18⅝	
11¼	9	SJuanB	.85e	8.9		204	9⅝	9½	9½	-⅛
10⅝	6¼	SJuanR			17	23	9⅞	9⅝	9⅝	
61	35¼	Sandr	s.44	1.2	18	878	38	37¼	37½	+¼
25⅞	19½	SAnRt	1.84	7.9	14	12	23¼	22⅞	23¼	+½
27	20⅛	SFeSP	n 1	4.7	5	2375	21½	20⅞	21¼	+⅛
28⅞	24½	SgrWel	1.32	5.1	14	21	26	25⅝	26	+⅛
15½	12⅞	SaulRE	.20	1.4	37	23	14½	14½	14½	
15½	13¼	SavElP	1.60	11	6	29	15	14⅞	15	+⅛
11⅛	9⅝	SavE	pf1.28	13		1	9⅝	9⅝	9⅝	-⅛
9¼	3⅞	Savin				92	5½	5	5⅛	
14⅝	8⅛	Savin	pf1.50	14		2	10⅝	10⅝	10⅝	
48	35½	SchrPlo	1.68	4.7	11	1813	36¼	35½	36	+⅛
62⅞	43⅝	Schimb	1.04	2.2	13	2626	48	47½	47⅞	-⅛
22⅞	8⅞	SciAtl	.12	1.3	17	359	9⅛	9½	9½	-⅛
33½	19¼	Scoalnd	.68	3.0	10	336	22½	22½	22¼	+⅛
12⅞	6⅛	ScotLad	1.18t	16	123	14	7½	7¼	7⅛	-⅛
58	39⅞	ScotFet	1.80	3.3	11	1204	54¼	52	54	+3
34⅞	22⅞	ScottP	1.12	4.2	9	274	26½	25¾	26½	+½
19	13½	Scotys	.52	3.9	10	73	13½	13¼	13¼	-⅛
30⅞	21⅞	Scovill	1.52	6.2	10	401	24⅝	24	24½	+½
23⅞	18⅛	SeaCnt	n.42	1.9		219	22½	21⅞	21⅞	-⅛
11⅞	9½	SeaCt	pf1.46	15		x6	10	9⅝	9⅝	-⅛
15¼	12⅛	SeaC	pfB2.10	16		9	12⅞	12⅞	12⅞	-⅛
15⅛	12	SeaC	pfC2.10	16		9	13	12⅞	13	+⅛
19⅝	15½	SeaLd	n			537	17	16½	16½	-⅛
4	2⅞	SeaCo	n		1	39	3⅝	3½	3½	
40	23⅛	Seagrm	.80	2.5	9	793	32½	31½	31⅞	-1⅛
22⅛	12½	Seagul			10	94	17⅞	16½	17⅞	+1
25⅞	18	SealAr	s.36	1.8	14	x123	20½	19⅛	20¼	+½
32½	20⅞	SealP	s.80	3.9	8	45	20⅞	d20¼	20⅞	
55⅞	37½	SearleG	.52	1.3	19	1370	39⅞	39	39⅛	
45⅞	23½	Sears	1.76	5.7	8	2179	31¼	30⅞	30⅞	-⅛
102⅞	100	Sears	pf1.48e	1.5		2890	101⅛	100	101½	+1
55½	41¼	SecPac	2.44	5.8	6	1765	42⅛	d40¼	41⅞	+½
48½	32⅞	Sedco	.58	1.5	5	383	38⅞	38⅛	38½	-¼
22¼	12½	SelgL1	.60e	3.1	8	57	19⅝	19	19¼	-⅛
53	30⅞	SvceCp	.48	1.3	14	325	37⅞	37	37¼	+⅛
42¼	15⅛	Shaklee	s.72	4.2	8	98	17½	17	17⅛	-⅛

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
53¼	45¼	Shapell			5	5	48	48	48	
23	10⅞	Shawl	s.50	4.2	5	207	12¼	11⅞	12	+⅛
61½	37⅞	ShellO	2	3.4	11	449	58⅞	58¼	58½	+⅛
39½	30⅞	ShelT	1.99e	5.3	7	22	37⅞	37½	37⅞	
33½	17½	ShelGlo	.70	4.0	6	67	18	d17¼	17½	-⅛
30	21⅞	Shrwin	.76	3.1	10	x223	25⅞	24	24⅛	-1⅛
10	5⅝	Shoenw	n		4	57	6	5⅛	5⅛	-⅛
15½	13¼	SierPac	1.54	11	7	49	14	13⅞	13⅞	+⅛
38⅛	25⅛	Signal	.94	3.5	12	819	27⅛	25½	26⅞	+⅛
59⅛	49⅞	Signl	pf4.12	8.1		4	51	50⅞	51	
14⅝	9½	SimpPt			12	82	9⅝	d9⅛	9½	-⅛
32¼	20⅞	Singer	.10a	.4	17	539	25½	24⅛	25	+⅛
30⅛	26⅞	Singr	pf3.50	13		14	27	26⅞	27	
30⅛	12⅞	Skyline	.48	3.6	18	119	13⅞	12⅞	13½	+⅛
28⅛	17	Smithln	.96	5.2		56	18½	18¼	18½	
76½	50	SmkB	2.80	5.2	9	1713	54⅞	53½	53½	-1⅛
44½	30¼	Smuckr	.96	2.6	10	22	37	36½	37	
34¼	26½	SnapOn	.92	3.0	13	230	31	30½	30½	-⅛
39⅝	28¼	Sonat	1.55	4.4	7	483	35⅛	34½	35½	+⅛
17⅞	13	SonyCp	.10e	.7	19	1691	14¼	14⅛	14¼	-⅛
36	23⅛	SooLin	1.20	4.8	11	4	25⅛	24⅞	25⅛	+⅛
32⅛	28⅞	SourcC	3.10	11		9	29	29	29	+⅛
21¼	17¼	SCrEG	2.05	11.	7	4090	18⅞	18½	18½	
22½	19½	SCrE	pf2.50	12		10	21½	21½	21½	+1
26⅛	19⅞	SoJerIn	2.44	10	6	10	23⅞	23⅝	23⅞	-⅛
45	36	Soudwn	.50b	1.2	10	84	42	41½	42	+⅛
27⅞	22	SoetBk	1.08	4.5	8	599	24⅛	24	24	-⅛
15	10⅛	SoetPS	1.78t	17	6	12	10⅝	10⅝	10⅝	-⅛
42⅛	34¼	SCalEd	3.80	10	6	452	37	36⅝	36⅝	+⅛
17⅛	14½	SoumCo	1.80	12	5	1505	14⅞	14½	14½	-⅛
29⅝	24½	SolnGE	2.48	9.4	6	49	26⅞	26⅛	26½	-⅛
40	27⅞	SNETl	s2.64	8.8	8	388	30¼	29⅞	30	
37	31	SoNE	pf3.82	12		3	32½	32¼	32½	+½
25⅛	22⅛	SoRy	pf2.60	12.		3	22⅛	d22½	22½	-⅛
27⅞	19⅞	SoUnCo	1.64	6.1	10	x133	27	26½	27	+⅛
48¼	29½	Soutnd	.92	3.0	9	353	30½	30	30¼	+¼
21½	14⅛	SoRoy	.08	.5	14	350	15⅞	15½	15½	-⅛
12½	7¼	Soumrk	.16r	2.2	4	370	7⅞	7⅛	7⅛	
55	50½	Somk	pf6.77e	13		108	51⅞	51⅛	51⅛	
35⅛	19	SwAirl	s.13	.6	13	708	20⅞	20⅛	20⅞	
30	20	SwBksh	1.44	6.9	8	88	21½	20	21	+⅛
21⅛	16	SwFlBk	.80	4.1	13	89	19¼	19	19⅛	+⅛
22½	12¼	SwtFor				1180	15⅛	15	15½	-⅛
13½	10⅛	SwtGas	1.20	11	8	60	11⅛	11	11⅛	+⅛
66	55¼	SwBell	n5.60	10	6	1340	56⅛	55⅞	55⅞	-⅛
27⅞	16½	SwEnr	.52	2.3	13	25	22⅞	22	22⅛	+½
20⅞	17	SwtPS	1.74	9.9	7	613	17⅞	17½	17⅞	-⅛
24	13	Sperin	s.48	3.1	12	20	15⅛	15¼	15¼	-½
37½	18	SpectP			35	124	21¼	20⅞	21	-⅛
50	35¼	Sperry	1.92	5.2	9	1788	37⅛	37⅛	37½	-½
41½	31⅛	Springs	1.52	4.7	8	399	32¼	31⅝	32¼	+⅛
41⅞	30⅞	SquarD	1.84	5.5	13	271	34⅛	33⅞	33½	-½
55⅞	39⅞	Squibb	1.44	3.7	12	875	39⅞	d39¼	39¼	-⅛
33⅞	18½	Staley	.80	4.0	42	105	20⅛	19⅝	20	-¼
28¼	17⅛	SBPnt	s.54	3.0	11	26	18	17⅞	18	+⅛
25	16⅛	StMot	s.32	1.9	10	360	17¼	d16½	16⅞	-⅛
40½	31⅞	StOilCl	2.40	6.5	8	2127	37⅛	36½	37	+¼
59⅛	43⅞	StOInd	3	5.2	8	4684	57⅞	57⅛	57⅛	-⅛
58⅞	40⅛	StdOOh	2.60	5.4	7	995	48	47¼	47½	+½
20⅛	10¼	StPacCp	.40	3.9	7	205	10⅛	d10⅛	10⅛	+⅛
17	11	Standx	s.50	3.4	10	217	15⅛	14½	14⅞	-⅛
29½	20¼	StanWk	.84	4.0	10	392	21⅛	20⅞	21⅛	-⅛
31⅞	25½	Starrett	1	4.0	13	36	25⅛	d24⅞	25⅛	-⅛
10⅛	8⅞	StaMSe	1.20e	13		24	9½	8⅞	9⅛	+⅛
31¼	17⅞	StaufCh	1.44	8.2		1303	18	d17¼	17⅞	+¼
6⅞	3½	Steego	.12b	3.2		48	3⅞	3⅝	3⅞	+⅛
22½	14⅝	Sterchl	.76	5.2	10	18	15	d14½	14½	-⅛
12⅞	9	SterlBcp	.72	6.7	11	10	10¼	10¼	10¼	-½
29⅞	23½	SterlDg	1.16	4.7	11	1606	24⅞	24½	24½	+⅛
24	16¼	StevnJ	1.20	6.5	14	74	18½	18	18½	-⅛
32	25	StwWrn	1.68	6.1	23	437	28	27⅛	27¼	-⅛
15⅞	8¼	StkVC	pf 1	11		z400	9	9	9	
48½	32⅛	StoneW	1.60	4.8	8	3	33¼	33¼	33¼	
45	24⅝	StoneC	.60	2.0		113	31⅛	29⅞	30⅛	-1⅛
62⅞	32¼	StopSh	s.75	2.0	8	36	37⅞	36⅝	36⅝	-1¼
23⅞	8⅞	StorTec				806	9⅞	9½	9⅝	
37¼	28½	Storer	.40	1.2		199	34	33½	34	+½
43½	15	StratRl	.80	5.3	7	229	15	d14½	15	
11⅞	6⅞	SuavSh	.30	4.0	33	16	7½	7½	7½	
9⅝	4⅛	Sullair				40	4⅝	4½	4⅝	+⅛
29½	22⅛	SunBks	1.20	5.2	7	x292	23⅛	22⅞	23	+¼
33	24¼	SunCh	.48	1.9	25	25	24⅞	24⅝	24⅞	-½
20⅛	10⅛	SunEl				184	10⅛	d9⅞	10⅛	-⅛
59½	38⅞	SunCo	2.30	4.7	11	931	49	48	48⅞	-⅝
52	38⅛	Sundstr	1.80	4.3	16	85	41⅛	41½	41½	
18⅞	10⅝	SunMn			142	1084	12⅛	12¼	12⅛	+⅛
10¼	6⅛	Sunshn			7	2	6½	6½	6½	
37	23½	SuprVl	.60	2.4	12	x712	25	24⅛	24¼	+½
42⅞	32⅞	SuprOil	.20	.5	19	4453	41⅞	41	41⅞	+⅛
27½	19¼	SupMk	s.38	1.9	9	338	20¼	19⅞	20	+⅛
6⅞	3	Supscp				13	3⅛	3⅛	3⅛	
20¼	14⅝	Swank	.90	5.9	9	7	15¼	14⅞	15¼	+⅛
29¼	16⅛	Sybron	1.08	6.5		526	16⅞	16½	16½	+⅛
18¼	10	Syms	n		20	48	11⅞	11½	11⅞	+⅛
61½	37¼	Syntex	1.60	4.0	9	2657	40⅛	39¼	39⅞	-⅝
38⅞	26⅝	Sysco	.36	1.4	13	549	27	d26	26¼	-½
		T—T—T								
62	39¼	TDK	2.20	4.9	21	40	44⅞	44½	44½	-¼
27	22	TECO	2.04	8.4	8	487	24⅞	24¼	24⅛	
17⅞	10	TGIF	n		16	75	11¼	11	11	-⅛
41	18⅞	TRE	1	5.4	14	136	19	d18¼	18⅜	-⅛
82	58½	TRW	2.80	4.7	10	746	59⅞	59	59½	+¼
179½	138⅝	TRW	pf4.40	3.3		1	134	d134	134	-11⅛
152	111½	TRW	pr4.50	4.1		1	110	d110	110	-5
17½	6⅞	TacBoat				38	8	7⅞	7⅞	-⅛
63⅞	45¼	TaftBrd	1.08	1.9	14	105	56¼	55⅞	56⅜	-½
13⅞	9¼	Talley			10	134	12½	12¼	12⅛	-⅛
18⅞	13	Talley	pf 1	6.6		69	15½	15	15½	-½
63¼	26½	Tandy			10	7115	27⅞	27	27⅛	
21½	11⅞	Tndyclt			12	17	13⅛	12⅞	13⅛	
86⅛	56	Tektrnx	1	1.8	18	119	56¼	55¼	56½	+½
4½	2⅛	Telcom			17	35	3	2⅞	3	+⅛
194⅞	147	Teldyn			15	3042	u195½	194⅛	195½	+½
24	14¼	Telrate	.20	1.3	26	45	15⅞	15	15⅛	+⅛
32½	18⅝	Telex			9	1083	22⅞	21⅞	22⅛	
37⅞	25⅝	Templ	n.25e	.9	10	x272	28¼	27½	27½	-⅛
44¼	38	Tenneco	2.80	7.1	7	1127	40⅛	39½	39⅞	
96¼	88	Tenc	pr 11	13		276	88	88	88	
71½	66	Tenc	pr7.40	11		824	65½	d65½	65½	-½
39⅞	24	Terdyn			19	823	25½	24¾	25	+½

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
20⅞	13⅝	Tesoro	.40	2.1	7	x948	19	17⅞	18⅝	+1⅛
36⅛	26⅝	Tesor	pf2.16	6.6		15	32⅛	31½	32½	+⅛
48⅞	32¼	Texaco	3	8.2	8	1916	37	36⅛	36¼	+⅛
45⅞	32⅛	TxABc	1.52	3.9	11	308	39⅛	39	39	-½
48¼	37⅝	TexCm	1.42	3.6	7	474	40⅞	39½	40	+½
71⅛	52⅞	TexEst	4.10	6.2	10	98	66½	66⅛	66½	+⅛
26	24¼	TxET	pf2.87	12		11	24⅛	24⅛	24⅛	-⅛
58	54	TxET	pf5.96e	11		20	54	54	54	-2½
46⅝	30½	Texlnd	.80b	2.6	16	81	32⅛	31	31	-1⅛
169⅞	101	TexInst	2b	1.5		1194	134⅛	131⅝	132	-3
8½	1⅞	Texlnt				237	2⅛	2⅛	2⅛	
27⅛	22⅞	TxNMx	2.38	10	6	22	23⅛	22⅞	23⅛	+⅛
27⅞	19⅞	TxOGs	s.16	.6	17	2053	26½	25⅛	25⅛	-½
39½	29⅞	TxPac	.40	1.1	19	62	35⅛	34½	35	-⅛
27⅛	21⅛	TexUtil	2.36	10	6	4135	22½	22½	22½	-⅛
11	3⅛	Texfin			5	114	3⅞	d3¼	3⅞	-⅛
36⅞	25⅞	Textron	1.80	6.6	11	239	27¼	26½	26⅞	-⅛
40	29⅛	Textr	pf2.08	7.2		1	29	29	29	-1
32	24¼	Textr	pf1.40	5.9		3	23⅛	d23⅛	23⅛	-1½
9⅝	5⅞	Thack			102	54	6⅛	6⅛	6½	-⅛
22⅛	13⅛	ThrmE	s		81	43	16⅝	16⅛	16⅛	-⅛
76½	59¼	ThmBet	2.48	3.7	17	13	66⅞	66⅛	66⅛	-⅛
23⅞	13⅞	Thomln	.68b	4.5	11	15	15¼	15	15½	+⅛
26	12¼	ThmMd	.40	1.8	11	124	21⅞	21⅛	21⅞	+⅛
25⅛	11½	Thrifty	.52	3.6	11	271	14½	14	14¼	-⅛
31⅛	20½	Tidwtr	.90	3.8	19	299	24⅛	23½	23⅞	-⅛
11½	4⅛	Tigerln				487	6⅛	5½	5⅞	+⅛
52½	36¼	Timel	n.82	2.2	13	x723	37½	37¼	37½	+⅛
112½	65	Timl	pf9.157	2.4		x16	67	67	67	+¼
23⅛	13¼	Tmplx	s		24	11	15¼	14⅞	15	
44	28⅛	TimeM	s1.20	3.3	12	699	37	36½	36⅞	+⅛
68¼	52	Timken	1.80	3.2	35	126	57⅞	56⅞	56⅞	-⅛
41⅞	29½	ToddShp	1.32	4.0	7	114	33	32⅛	32⅞	-⅛
29⅞	19½	Tokhm	.60	2.6	12	61	23½	23	23¼	
21⅞	13½	TolEdis	2.52	16	4	204	15½	15⅛	15⅝	
23¼	22	TolEd	pf3.75	17		6	22⅛	22	22⅛	+⅛
28¼	20½	TolEd	pf3.47	17		1	20¼	20¼	20¼	-¼
34	25⅛	TolEd	pf4.28	17.		3	25½	25½	25½	+⅛
19½	13½	TolEd	pf2.36	17		19	13⅝	13⅝	13⅝	
18½	13½	TolEd	pf2.21	16		4	13⅞	13⅞	13⅞	-⅛
30¼	17½	Tonka	.40	1.4		12	28⅞	28⅛	28⅛	-⅛
21½	15	TootRol	.40b	1.9	9	75	20⅛	19½	20⅛	+½
45	32⅞	Trchmk	1.60	4.1	7	708	39½	39¼	39½	-¼
109¼	100	Trch	pf7.81e	7.8		4	100	100	100	-1
12½	9	TorCo			13	32	10¼	10½	10¼	+⅛
14⅞	3⅛	Tosco				135	4⅛	3⅞	3⅞	-⅛
26⅝	15⅛	Towle	.44	2.4	46	77	18¼	17⅞	18	-⅛
46⅞	31⅛	ToyRU	s		23	1481	39½	38⅞	39½	-⅛
31	18½	Tracor	s.34	1.7	12	42	20⅛	20	20⅛	-⅛
18⅞	7⅛	TWA				1249	8½	8	8⅛	-⅛
17	11½	TWA	pf2.25	18		31	12⅛	12	12⅛	+⅛
24½	15⅛	TWA	pfB2.25	13		39	17⅛	17⅛	17⅛	-⅛
31⅞	23⅝	Trnwld	.10r	.4	15	1320	26⅛	25⅝	26	-⅛
13⅛	7¼	Twld	wt			35	9	8⅞	8⅞	-⅛
16½	8⅛	Twld	wtA			115	11⅛	11	11	-⅛
26⅛	15½	Twld	pf 2	8.6		1	23¼	23¼	23¼	-¼
17	13½	Twld	pf1.90	13		13	15	14⅛	14⅛	-⅛
45⅝	29	Twld	pf2.66	7.0		25	38	38	38	-½
33	21⅞	Transm	1.56	6.9	7	172	22⅞	22⅛	22½	+⅛
20	17½	Tranlnc	2.16	12		16	17⅞	17⅝	17⅝	
14¼	11½	TARlty	1e	8.5		5	11⅞	11⅞	11⅞	
44½	31½	Transco	2.04	5.1	8	241	40¼	39⅞	40	-½
50	41	Trnsc	pf3.87	8.3		47	46⅝	46½	46½	-⅛
22⅞	19	TrnEx	n1.50e	7.1		40	21⅛	20⅞	21⅛	+⅛
17⅛	6⅞	Transcn			6	76	8½	8½	8½	+⅛
23½	21½	TrGP	pf2.50	11		1	21¾	21¼	21¼	-⅛
13	7⅛	TrnsOh			6	41	7⅛	d7⅛	7⅛	-⅛
38⅞	29⅛	Transwy	1.80	6.3	9	75	29⅛	28⅞	28⅞	-⅛
36⅞	27½	Travler	1.92	6.5	8	590	29⅞	29⅛	29¼	+¼
26⅞	21⅞	TriCon	5.55e	25		119	22¼	22⅛	22⅛	
23½	20⅛	TriCn	pf2.50	12		7	21½	21⅛	21½	+⅛
7⅛	5	TriSoln			14	69	5½	5⅛	5½	+⅛
18⅞	12⅝	Triangl	.40	3.1		48	13	12⅞	13	+⅛
38½	22¼	TrlaPc	1	3.9	9	53	25⅝	25⅜	25⅝	-⅛
33	24	Tribun	n.72	2.8	12	352	26¼	25⅛	25½	+¼
7⅞	4⅞	Tricntr	.32e	5.6	7	20	5¼	5⅛	5¼	
11⅛	7⅛	Trico	.16	2.1	32	80	7⅝	7⅛	7⅝	
25⅝	15½	Trinty	.50	2.9	58	517	18⅛	17⅛	17½	-½
19⅞	12	TritEng	.10	.6	9	21	15½	15	15½	+½
41⅛	27⅞	TucsEP	2.60	6.9	7	667	38	37⅛	37⅞	-⅛
16⅞	12⅛	TwlJ	n.48	3.6	10	8	13½	13⅛	13⅛	-⅛
23⅞	16½	TwinDs	.60	4.6	50	10	17⅛	17¼	17½	-⅛
34	20½	TycoLb	.70	2.5	10	x362	29	27⅞	28⅛	+½
31½	22⅞	Tyler	.70	2.9	12	42	24¼	24	24	-⅛
		U—U—U								
41⅞	27⅞	UAL			5	1394	33⅛	32½	32⅞	-¼
29⅝	23	UAL	pf2.40	9.6		83	25	24⅝	25	+¼
17½	8¼	UCCEL			279	91	8⅝	8½	8⅝	
22⅞	16½	UGI	2.04	12	20	22	17⅛	17⅛	17⅛	-⅛
24½	20½	UGI	pf2.75	14		z250	20	d19¾	19¾	-1¼
8½	3	UNCRes				1640	6⅛	5½	6⅛	+⅛
17½	10⅛	URS	.40b	3.7	12	35	10⅝	10⅛	10⅛	-¼
61⅞	45⅛	USFG	4.16	9.0	6	347	46½	45¼	46⅛	+⅛
18½	11⅛	UniDyn	.60	4.1	9	25	14⅝	14½	14⅝	+⅛
20¼	14½	UniFst	n.20e	1.4	12	10	14⅝	14⅝	14⅝	-⅛
55½	49½	Unilvr	2.19e	4.4	8	1	49½	49½	49½	-½
88⅞	66⅞	UnlNV	4.46e	5.8	7	97	77¼	76¼	77	-⅛
43⅞	33¼	UCamp	s1.64	4.9	11	815	34	33⅛	33⅛	-⅛
73⅞	52	UnCarb	3.40	6.3	28	542	54	53½	53⅞	-⅛
7½	4⅞	UnionC	.24t	4.8	4	141	5¼	4⅞	5	
16¼	12⅛	UnElec	1.72	14	5	620	13	12⅝	12⅝	-⅛
36½	28⅛	UnEl	pf4.50	15		z110	30	30	30	
32¼	24⅞	UnEl	pfM 4	16		22	25⅛	25	25	-⅛
63½	48½	UEl	pfL 8	16		z110	49½	49½	49½	-1½
24½	18⅛	UnEl	pf2.98	16		17	19⅛	18⅞	18⅞	+⅛
17⅞	13½	UnEl	pf2.13	16		12	13¼	13½	13½	-⅛
24	19⅛	UnEl	pf2.72	14		16	20⅛	20⅛	20⅛	
61	45	UnEl	pf7.44	16		z50	46½	46½	46½	-1
64	49½	UEl	pfH 8	16.		z20	51	51	51	+⅛
61⅞	43⅛	UnPac	1.80	4.1	16	1659	43⅝	d42¼	43¼	+⅛
129½	99	UnPac	pf7.25	7.3		17	101	100	100	-1
18	10¼	Uniroyl	.03e	.3	5	z2233	10½	10¼	10½	+⅛
62	57	Unryl	pf 8	15		y460	55	d55	55	-1
8½	5½	UnitDr				24	5¼	5⅛	5½	-⅛
27⅛	14⅛	UnBrnd			4	32	15⅛	15	15⅛	-⅛
19¼	11½	UBrd	pf			2	13½	13½	13½	
29½	21½	UCblTV	.14	.6		16	22	21⅞	22	-⅛
35½	22⅞	UnEnrg	2.48	9.7	45	992	25⅝	25⅛	25⅝	
28⅞	13	Ulllum	2	15	2	222	14	13⅝	13⅛	
31½	19	Ullu	pf3.97	17		11	23½	22¼	23¼	

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
18¼	11	Ullu	pf2.20	16		z100	14	14	14	
31⅛	20⅛	Ully	pf 4	17.		14	23½	23¼	23¼	-⅛
29½	16¼	Unitrin	s.48	2.9	10	65	16⅞	d16½	16½	-½
39½	31	Unelnn	.22	.6	16	45	35⅞	35⅛	35⅞	
34¼	24½	UJerBk	1.40	5.2	7	50	26⅞	26⅛	26⅞	
14⅞	10⅞	UtdMM			16	28	11⅛	11½	11⅛	
3½	2⅛	UPkMn			1	4	2⅛	2⅛	2⅛	
27½	2⅞	USFoS	19.50e			131	3⅛	3⅛	3⅛	
39⅞	25	UsarG	.12	.5	6	790	26½	26¼	26⅛	-⅛
64	40	USGyps	2.60	5.0	8	306	52⅛	52	52⅛	-⅛
19⅛	6½	USHom	.16	2.4	15	465	6⅞	6⅛	6⅞	
23¼	13	USInd	.76	3.5	14	51	21½	21⅛	21½	+⅛
44⅞	28⅞	USLeas	.76	2.4	8	112	31⅛	31⅛	31⅛	-⅛
49	25⅞	USShoe	s.86	3.4	7	525	26	d25	25	-1
33¼	23¼	USSteel	1	3.7		938	26⅞	26½	26⅞	+⅛
57	48	USStl	pf6.10e	12		271	54	53	53	-⅛
157	124½	USStl	pr12.75	9.7		152	131⅞	130½	130⅞	+⅛
31½	24½	USStl	pr2.25	8.6		84	27	26¼	26½	-⅛
43	29½	USTob	1.44	4.4	13	200	32⅞	31⅞	32½	+⅛
65⅛	56⅛	USWst	n5.40	9.6	6	1415	57¼	56½	56⅞	-⅛
78⅞	57	UnTech	2.80	4.5	9	737	62⅛	61⅞	62¼	+⅛
36¼	27⅞	UTch	pf2.55	8.8		53	29	28⅞	29	+⅛
25	17½	UniTel	1.84	10	7	749	18	17⅞	17¾	-⅛
35	26⅛	UniTl	pf1.50	5.7		1	26½	d26½	26½	-⅛
25⅞	18	UWR	1.92	8.3	10	22	23	22⅞	23	+⅛
36⅞	22	Unitrd	s.20	.8	19	149	24	23⅛	24	+1
24½	18¼	Univar	.68b	3.2	13	105	21½	21⅛	21½	-⅛
31	19⅝	UnivFd	1.04	5.2	6	122	20½	20½	20½	-⅛
21⅛	15⅞	ULeaf	s.92	5.9	7	41	16	15½	15⅝	+⅛
40	27¼	Unocal	1	2.7	9	3589	37⅛	36⅞	36⅞	+⅛
71½	50⅞	Upjohn	2.56	3.9	11	387	65½	64⅛	65	+⅛
30	22¼	USLIFE	.96	3.8	7	95	25⅞	25⅛	25⅝	+⅛
29½	24¼	USLF	pf2.25	8.6		85	26½	25⅞	26⅛	+⅛
9⅝	8½	UslfeFd	1.04e	12		18	8⅞	8⅞	8⅞	
25	21	UtaPL	2.32	11	9	287	21⅞	21⅛	21½	-⅛
25⅛	22⅛	UtPL	pf2.80	12		36	23	22⅞	23	+⅛
26⅛	22¼	UtPL	pf2.90	13		27	22½	23⅛	23⅛	+⅛
21⅞	18⅞	UtPL	pf2.36	12		2	19	19	19	+⅛
19¼	15⅛	UtPL	pf2.04	13		92	16½	15	16	-⅛
		V—V—V								
41⅛	22¼	VFCp	s 1	4.2	6	664	24	23¼	23⅞	+⅛
36⅛	10¼	Valero	.44	3.9	10	462	11⅛	11⅛	11⅛	-⅛
27	21½	Valer	pf3.44	16		26	21⅞	21⅞	21⅞	+⅛
6⅞	4⅛	Valleyln				13	4⅛	d4⅛	4⅛	
32⅞	19⅞	VanDrn	1.20	3.9	9	13	30⅞	30⅞	30⅞	-⅛
9½	3½	Varco				580	3⅞	d3⅛	3⅛	+⅛
21	13	Varco	pf 2	16		17	12½	d12	12½	
63⅛	37	Varian	.26	.7	16	747	37⅞	37½	37⅞	+⅛
27¼	9⅞	Varo	.40	3.8	6	96	10½	10½	10½	+⅛
31⅛	17¼	Veeco	.32	1.6	16	102	19½	19½	19½	+⅛
16¼	4½	Vendo				54	5	4⅞	5	
10⅛	9⅛	VestSe	1.20a	13		24	9½	9½	9½	-⅛
40⅞	23¼	Viacom	.42	1.6	12	203	26½	26	26	-⅛
65	56½	VaEP	pf7.72	14		z2700	55¼	d54	55¼	-1⅛
72¼	62⅞	VaEP	pf8.84	14		y50	62	d61⅞	61⅞	-1
65	51	VaEP	pf7.20	14		z280	52⅛	51⅞	52⅛	-⅛
63	55	VaEP	pf7.45	14		z1110	54	d53	53⅛	-1⅛
23	14	Vishay	1.85t	11	10	20	16¼	16⅛	16¼	+⅛
34⅛	21⅞	Vornad			14	34	29¼	29	29	-⅛
70⅞	58	VulcnM	2.44	3.9	12	8	62¼	62½	62½	+⅛
		W—W—W								
24¼	19⅛	WICOR	2.14	9.4	5	24	23¼	22⅞	22⅞	-⅛
47½	39⅛	Wachov	1.72	4.0	8	46	43¼	42⅞	42⅞	-⅛
34½	18½	Wackhl	.60	3.0	12	58	20	19¼	19¼	-⅛
11⅞	7	Wainoc			73	449	8⅞	8⅝	8¼	
46⅞	30¼	WlMrt	s.21	.6	24	1685	36½	35	36	+1
98½	68	WlMrt	pf			1	79	79	79	+1
40⅛	30	Walgrn	.72	2.4	12	198	30½	30	30	-⅛
23⅞	16¼	WkHRs	g1.32			2081	16½	16⅛	16⅛	+⅛
32½	23	WalCSv	.40	1.7	14	x99	24⅛	23⅞	24	-⅛
37¼	23	WaltJ	s1.20	5.2	6	121	23¼	d22⅝	22⅞	-⅛
9⅛	8	WaltJ	pf 1	12		z300	8¼	8¼	8¼	
49	31⅛	WaltJ	pf1.60	5.3		1	30¼	d30¼	30¼	-⅛
38¼	22¼	Warnc	s.88	3.5	9	120	25¼	25	25½	-⅛
30⅞	19⅞	WrnCm	1	4.5		422	22⅛	21½	22⅛	+¼
35⅛	26⅛	WarnrL	1.48	5.0	11	1406	29½	29¼	29¼	-⅛
32⅞	26	WashGs	3.02	9.9	6	20	30⅝	30½	30½	-⅛
37¼	18	WshNat	1.08	6.0	9	415	19⅛	18	18⅛	
69⅛	34⅛	WasN	pf2.50	7.3		1	34⅛	34⅛	34⅛	
21⅝	16	WshWt	2.48	15	5	52	16⅝	16⅛	16½	+⅛
56½	31	Waste	.68	2.2	12	1152	32	d30⅞	31	-⅛
30⅞	18	WatkJ	s.32	1.5	11	364	21½	20⅞	21½	+⅛
15⅞	10⅛	WayGos	.20	1.7	15	13	12	11½	11⅝	-⅛

Continued on Page 24

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a-dividend also extra(s). b-annual rate of dividend plus stock dividend. c-liquidating dividend. cld-called. d-new yearly low. e-dividend declared or paid in preceding 12 months. g-dividend in Canadian funds, subject to 15% non-residence tax. i-dividend declared after split-up or stock dividend. j-dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k-dividend declared or paid this year, an accumulative issue with dividends in arrears. n-new issue in the past 52 weeks. The high-low range begins with the start of trading. nd-next day delivery. P/E-price-earnings ratio. r-dividend declared or paid in preceding 12 months, plus stock dividend. s-stock split. Dividends begins with date of split. sls-sales. t-dividend paid in stock in preceding 12 months, estimated cash *value on ex-dividend or ex-distribution date.* u-new yearly high. v-trading halted. vi-in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd-when distributed. wi-when issued. ww-with warrants. x-ex-dividend or ex-rights. xdis-ex-distribution. xw-without warrants. y-ex-dividend and sales in full. yld-yield. z-sales in full.

WORLD STOCK MARKETS

OVER-THE-COUNTER

Nasdaq national market, closing prices May 25

Stock		Sales (Hnds)	High	Low	Last	Chng
AFG s		15	15⅝	15¼	15⅝	−⅛
AGS		19	17	16¾	16¾	
AIA		98	2¾	2½	2¾	+⅛
ASK C s		88	14¼	14	14¼	+¼
AamR s		14	16½	16	16	−⅛
Acadin s	.20b	254	9¼	9	9	−¼
Acelrtn	.05e	101	11⅛	10¾	10¾	−½
AcuRay	.16	104	15⅝	15¼	15¼	−⅜
AdacLb		619	5¾	5½	5⅝	+⅛
Adage s		140	9½	8¾	9	−½
AdvCir		53	7⅝	7½	7½	−⅛
AffBsh s	.80	x22	17¾	17½	17½	−⅛
AirWisc	t	62	9¾	9½	9½	−¼
ArCal		43	10½	10¼	10¼	−¼
AlskPc	.25r	35	18	17½	18	+¼
AlexBd s	1.20	478	27	26¾	26¾	
Allin		10	11¾	11¾	11¾	+¼
Algorex		75	25¼	24¾	25	+¼
AlegWt		10	12½	12⅜	12⅜	−⅜
AllegB s	.40	141	14	13½	14	+½
AldBn s	.80	x833	22¼	21¾	22¼	−⅛
Alnet		54	4	3⅞	3⅞	−⅛
AlpMic		89	12¼	11¾	12	
Altos		344	9⅞	9½	9½	+⅛
Amcst s	.40	164	23¼	23	23	
AWAirl		880	8	7½	7½	−½
AmAdv		115	11	10⅞	10½	−½
ABnkr	.50b	216	11	10⅝	10⅞	−⅜
ACarr s		135	9	8½	8½	−¼
ACont		122	7	6¾	7	−¼
AFdSL s	.60	323	11¾	11	11½	−¼
AFletch	1.48	119	28¼	27¾	28¼	+⅛
AGreet	.50	1077	24⅛	24	24¼	+⅛
AmInLf	.40a	144	11⅛	10¾	11	−½
AInGrp	.44	x1950	56½	55	56¼	+⅛
AMS	.15b	1	14¼	14¼	14¼	+¼
ANtins	.96	68	23⅞	23½	23⅝	−⅛
APhyGp		36	7⅞	7½	7½	−⅛
AQuasr		56	4⅞	4½	4½	−⅛
AmSoft		37	13½	13	13	
ASolr s		198	5⅞	5¾	5½	
ASurg		866	2⅞	2¾	2½	
Amrtrst	2.88	x57	42	41½	41½	−¼
Amgen		142	5⅝	5⅜	5⅜	
AmskB	.18e	51	17⅛	16⅞	17⅛	+⅛
Anadite	.10	12	8	7⅞	8	
Anlogic s		237	15	14⅛	15	+½
Analyl s		63	5¼	4⅞	4¾	−¼
Anaren		36	9½	9⅛	9½	+⅛
Andrew		4	30	30	30	
Andros		13	6½	6	6	
Apogee s	.12	9	9	8¾	9	
ApoloC s		1534	20¼	19½	20	+¼
AppleC		5362	29⅞	29¼	29½	+⅛
ApBio		81	19¾	19¼	19¼	
ApldCm		442	10¾	10½	10½	+½
ApldMt		361	28	26¾	27¼	−¼
ApldSlr		60	10⅞	10½	10⅝	+⅛
ApIS wt		50	2¾	2½	2½	
ArgoSy		29	15½	15	15½	+¼
ArizB	.80b	34	17⅞	17½	17⅞	−⅛
Artel		12	8¾	8¼	8¼	−¼
AsdHr s	.12	661	12⅛	12	12⅛	+⅛
Astrosy		47	7⅞	7⅛	7¼	
AtlnB s	.80	50	24⅞	24¼	24¼	−⅛
AtlnFd		565	9⅛	8⅞	9	
AtlFin		360	10	9½	10	+¼
AtlRes s		96	28	27	28	+1
AtSeAr		22	10⅛	10	10	−¼
Austron		3	4⅞	4⅞	4⅞	
AtwdOc		2	18½	18½	18½	
AutTrT		45	15	14½	14¼	−⅛
Autmtx		231	10½	10	10½	+½
Auxton s		125	11¼	10½	11¼	−¼
AvntGr		161	18½	18	18½	
Avntek		173	18⅞	18½	18⅞	+¼
Avatar		20	15½	14¾	14½	−¼
AztcMf	.20	15	8¼	7¾	7¾	−½
Aztech	t	58	3⅛	3	3⅛	
B—B						
BPI Sy		39	5¼	5	5¼	
BRCom		28	17¼	16⅞	17¼	+¼
BairdC	1	2	8½	8½	8½	
Bncoho	1	163	30½	30¼	30½	−⅛
Bancokl	.90	10	20⅞	20⅞	20⅞	−⅛
BcpHw	1.24	12	19¼	18½	18½	−¾
Bancteo		8	7¼	7¼	7¼	
BangH	1.60	175	9¼	8⅞	8⅞	−¼
BkNEn	2.60	86	43¼	42¾	42¾	−¼
Bankvt		3	10¼	10⅛	10⅛	+⅛
BantaG	.56	114	18	17⅞	17⅞	−⅛
BaronD		5	9½	9½	9½	
BasTn A	.15b	38	9½	9	9½	+½
BsAm		145	10½	9⅞	10	−¼
BassF s	.80a	32	32½	32	32½	
BsetW s	.44	28	20½	20	20½	+½
BayBks	2.20	170	36⅞	36⅜	36⅞	−¼
Bayly	.12	60	11	10½	10⅞	−½
BellNt s		71	8½	8	8½	+¼
BesCp		448	2⅞	2½	2⅞	+⅛
BetzLb	1	1000	30	29½	29½	−½
BevHS s		23	14	13½	14	+¼
Big B s		23	9½	9¼	9½	+⅛
Bilings		131	5¼	4⅞	5	−⅛
Bndly		110	17⅞	17⅞	17⅞	
BioRes		773	10	8⅞	8⅞	−1⅛
Biochm		10	2¼	2	2	
Biogen		137	9	8	9	
Biosrc		114	8½	5⅞	6⅛	
Birdinc		177	7½	6¾	6¾	−¼
BshG s		6	6⅞	6	6⅞	+¼
Bliss s	t	168	2½	2⅛	2⅛	−⅛
BobEv s	.26	116	17¼	16½	17	+½
BoltTc	.18e	53	13⅛	13½	13⅛	
BstnDig		19	10¼	10¼	10¼	
BraeCp		4	11½	11	11½	
Branco	.24	117	8⅛	8	8	−⅛
BristC s		53	15¼	14⅞	14⅞	−½
BrwTom		720	6¼	5⅞	6¼	
Bruno	.24	149	13¼	12⅞	12⅞	−⅛
BurlCt		208	16¼	15½	16	
Brnhm s	.16e	519	15¼	14⅞	15	−¼
BurrBr		20	23¼	23¼	23¼	
BMA	1.94	13	38¼	36½	36½	−½
C—C						
C COR		10	8¼	8	8	
CP Rhb		249	12	11½	12	
CBT	1.64	7	25	24¾	25	+¼
CFS s	.40	366	22¼	21⅞	22¼	−¼
CGA C		49	10¼	9⅞	9⅞	−⅛
CPI		150	20½	20¼	20¼	−¼
CPT		1290	13¼	12⅞	13¼	+⅝
CSP		41	7½	7¼	7½	+½
Cache	t	390	7⅞	7¼	7¼	−¼
CACI		79	4⅛	3¾	4⅛	
Calfed	.08e	936	13	12½	12⅝	−⅛
Calpre		25	5	5	5	−¼
CalMic s		208	11⅛	10¾	11⅛	
CallonP		68	6¼	6⅛	6⅛	+⅛
Calny s	.16	83	8	7½	8	+¼
CanonG		55	19¼	19	19¼	+⅛
CapCrb		124	4¼	4	4⅛	−¼
CareEn		7	7½	7¼	7⅜	+⅛
Carolin		447	6⅞	6⅝	6⅝	+¼
Carterl		999	6¾	6¼	6½	+⅛
CntrBc	1.80	202	20½	18½	20	+1
Centcor		26	10¼	10	10¼	+¼
CenBcp	2	11	35½	34½	35½	+¼
Centran	.40	1	19¼	19¼	19¼	
CerbA s	.10	4	6	5¾	5⅞	−⅛
Cetus		302	10⅛	10⅛	10⅛	−¼
ChadTh		4	3	3	3	−¼
ChrmS	.27	69	17⅞	17⅞	17⅞	+½
ChkPnt s		21	9½	8¾	9¼	
ChkTch		25	6¼	6¼	6¼	
ChLwn s	.32	3004	26	25½	25¾	
Chemex		62	4⅛	3¾	3¾	−¼
ChiChi s		2897	14¼	13½	13½	−⅜
Chorder		17	18	17½	17½	−1
Chronr s		140	14¼	13¾	13¾	−¼
Chrmt s	.06	114	15½	15¼	15⅜	+⅛
Cintas	.09e	12	22⅞	22⅛	22⅛	−⅛
Cipher s		845	19¾	18	19¾	+1
CtzSGa	.64	242	13¼	13	13⅛	+⅛
CtzFid	1.38	x76	21¾	21⅜	21⅜	
CtzUt A	t	30	28¼	27⅜	28⅜	
CtzUt B	1.30	15	25¼	24½	25¼	+⅛
CtyFd s	.05e	221	8⅞	8½	8⅞	+¼
ClarkJ	.80	4	22½	22¼	22¼	−¼
ClayHo		25	9	8½	8⅞	−⅛
CoastF		150	14½	14⅛	14⅛	−⅛
CobeL s		22	11½	11¼	11½	
Coeur	t	143	21½	20¾	21¼	+¼
Cogenic		313	3⅞	3¼	3½	−⅛
Cohernt		308	23¼	22¼	23	+¼
ColabR		279	5⅝	5	5¼	−¼
Colagen		63	8½	8	8	−⅛
Collins		65	6⅞	6¼	6¼	−¼
ColLtAc	.92	801	23	23	23	
ColrTle		837	14½	14	14¼	−¼
ColrNt s	.70	144	17½	17¼	17	−⅛
Comair		5	10⅞	10¼	10⅞	+½
Comcst	.16	46	19¼	19	19	−½
Cmdta s	.12	832	16½	16	16½	+½
Cemdial		273	5¾	5½	5¾	+⅛
Comerc	2b	27	26⅞	26⅞	26⅞	−¼
CmcaU	.92	31	21⅞	21⅞	21⅞	−⅛
CmShr	.50b	x2	13	13	13	
ComAm		826	6½	6⅛	6⅛	−⅛
Comind	.36	75	19½	18¾	19¼	−¼
ComSys		30	21¼	20½	20½	
Compaq		602	6⅛	6	6¼	+¼
CompC	.32	435	20½	19⅞	20½	+⅞
Cmpcre		41	9¼	9	9¼	−¼
Compcp		44	3½	3⅛	3⅛	+⅛
Compus		83	3¼	3⅛	3¼	
CCTC		48	13½	13¼	13½	
CmpA s		1271	16¼	14¾	15	−¼
CptAut		5	8	6	6	−¼
CmpDt	.08	13	12⅛	11⅞	12¼	+¼
vjCmpD		52	1-16	⅛	⅛	
CmpH s		24	10	9½	9⅞	+⅛
CmpM s		197	4½	4	4⅛	−⅛
CmpLR	.12	380	7¼	6½	7¼	+¼
CmpPd		548	16½	16⅛	16½	+⅛
CmpRs	.01e	30	5	5	5	
CmTsk s	.05	8	13¾	13¾	13¾	−¼
CptUs s		28	6⅞	6¼	6⅞	−⅛
Cmpum		30	4⅞	4⅜	4⅜	−⅛
Cmsrve		112	3⅞	2⅞	3	−⅛
Comshr		543	7⅞	7½	7⅞	+⅛
Cmpshp		5	6¾	6½	6½	−⅛
Comtch		136	2½	2¼	2¼	−¼
Concptl		113	7⅞	7⅞	7⅞	−½
CnCap	.36a	83	25¼	25¼	25¼	+½
CCapRs	.68a	75	18⅛	18	18⅛	+¼
CnCapS	3.36	53	25¼	25¼	25¼	−½
ConPap	2.40	33	56½	56	56	−⅛
ConsPd	.04e	413	5⅞	5¼	5½	+¼
Consul		187	11½	10¼	10¼	−⅛
CtlHltC		6	6⅛	6	6⅛	
Cntinf s		95	7	6¾	7	−¼
CtLasr		22	9	8¾	8¾	
Convgt		6077	13⅛	12⅛	12⅞	−⅝
Convrse		47	18¼	17¼	17¼	−¼
CoprBio		105	7¼	7⅛	7¼	
Coors B	.40	294	14⅝	14⅜	14⅜	−¼
Copytel		220	29	24	25¼	−2¼
Corcm s		20	12¼	12¼	12¼	−½
Cordis s		1879	13¼	12½	12¾	+¼
CoreSt s	1.86	425	32⅛	31¼	31⅞	−¼
Corvus		424	6⅛	5⅞	6	+⅛
Cosmo		104	8½	8	8¼	−¼
CrmeC	t	144	13½	12¾	13	−¼
Crorus		62	10⅛	9⅞	9⅞	−¼
CrosTr	.80	117	20⅞	20	20⅞	+⅞
CwnBk		486	13¼	13½	13¼	+¼
Crump	.40	16	12⅞	12⅞	12⅞	
Culum s	.56	28	15	14⅞	15	
Cycare		10	17	17	17	+¼
D—D						
DBA s		18	10	9½	9⅝	−⅛
DaisySy		721	19¼	18½	18¾	
DmnBio		61	7¼	7	7	−¼
DartGp	.13	8	85	83	85	+1
Datcrd	.24	108	12⅞	12½	12¾	−⅛
DtaDs s	.24	106	12½	12⅛	12⅜	−⅜
Dta IO s		159	13	12½	12¾	+¼
DtSwtc s		192	20	19¾	20	+¼
Datpwr		17	6½	6	6½	
Datscp		63	14⅛	14	14⅛	+¼
Datum		378	5¾	5½	5⅝	−⅛
Dawson		35	8¼	8⅛	8¼	
DebShp	.20	78	15¼	15	15½	−¼
DecisD		157	9	8⅝	8¾	−⅛
DekbA	.72	1706	20½	20¼	20⅛	+¼
DeltaDr		28	4⅛	3⅞	4⅛	
Denelcr		27	8	7¾	8	+⅛
DentM s		148	7	6⅞	7	+¼
DiagDt		104	4	3¾	4	+⅛
DiagP s		60	8½	8¼	8¼	
Diasonc		1224	3⅞	3½	3⅞	+⅛
Diceon		3	15⅞	15¾	15¾	−½
Dicmd s		73	11¾	11¼	11½	−¼
Diglog		44	6	5¾	5¾	+¼
DigtCm		68	20⅛	19	19¼	−1
DigDat		46	3⅞	3⅞	3⅞	
DigtS s		1789	20⅛	19¾	19⅞	−⅛
Dionex		23	23½	22¼	23½	−¼
DistLog		4	9⅛	9	9	−¼
Divlood	.08e	389	14⅞	14⅝	14¾	+¼
DocuCl		34	8⅛	7⅞	7⅞	−¼
DomGn s	.20	82	12⅛	11⅞	11⅞	−½
DomBs	1.08	168	19⅞	19⅜	19¼	−⅛
DoylDB	.88	69	18½	18¼	18½	+½
Drexlr		123	10½	10	10½	
DreyG s		6	19¾	19½	19¾	+¼
DuckA s		145	15¾	14½	15¾	+1
DunkD	.28	295	20⅞	20⅞	20⅞	+⅞
Durron	.56	176	13¾	13⅝	13¾	+⅛
DurFil	.16	35	11	10⅞	11	
Dynscn	t	796	6¼	5¾	6	−¼
Dyntch s		91	13¼	12¾	12¾	−¼
Dysan		828	8¼	8	8¼	+¼
E—E						
EH Int		37	3¼	3⅛	3⅛	+⅛
EaglCpt		211	2⅞	2½	2⅞	
EconLb	1.04	729	23¼	23¼	23⅜	+½
ECmp s	.05i	77	8	7¾	7¾	−¼
ElPas	1.40	421	10⅞	10¼	10¼	−⅛
Elan	.07e	65	10⅞	10½	10½	−⅛
Elbit g		37	9⅞	9¼	9⅞	
ElecBio		110	7½	7¼	7¼	−¼
ElCath		38	11	10¼	11	
EleNucl		85	6⅞	6⅞	6¼	−¼
ElcRnt s		734	14¼	13½	14¼	+¼
ElMod		41	13	12¼	12¼	−¼
ElctMs		3	9⅛	9¼	9¼	
Electsp	.08	8	22	21½	22	+½
ElronEl		121	10¼	9½	10	−⅛
Elscint		44	15¼	15	15	
Emcor	.5	1	5-16	1⅞	1⅞	−⅛
EmpAir		10	7⅛	6⅞	7⅛	+¼
Emulx s		289	18	17¼	18	+¼
EngConv		84	34½	34¼	34½	
EnFact		12	10¼	10	10½	−¼
EngRsv		266	7⅛	6⅞	6⅞	
EnzB s		338	13¼	12½	12¼	
Equat		1094	20¼	20⅛	20⅛	+¼
EqtOil	.20	48	8¼	8	8	
EvnSut		32	17½	17	17⅞	−⅛
ExcalT		86	2⅞	2½	2½	−¼
F—F						
FMI	.02r	168	6	5¾	6	−⅛
FrmF s		3	15	14⅞	15	+⅛
FrmG	1.52	79	38¼	38	38⅛	−¼
FedGrp		162	18¼	17½	17¾	−¼
Ferofu		115	7	6⅞	6⅞	−⅛
Fidlcor	2.40	99	37¼	36⅞	37⅛	−⅛
Figgie	.68	x44	26½	25	25	−¼
Filmtc s		51	15½	15	15½	
Flardr	.25a	2	13	13	13	
Fingmx		47	5½	5¼	5⅛	+⅛
Fingan		3	6¼	6⅛	6¼	
FtAtaBk	2	22	35½	35	35½	−1
FtATnn	1	65	20¼	20½	20½	
FtColF		3	10½	10½	10½	−¼
FDataR		14	12¼	12⅞	12⅞	
FExec s		4918	10⅞	9⅞	10⅞	
FtFdAz		816	14¼	13⅞	14	−⅛
FtFlBr	.40	235	17¼	17¼	17¼	−⅛
FJerNtl	1.80	x43	23½	23	23½	−⅛
FMdBn	1.60	187	22⅞	22¼	22¼	−⅛
FNtSup	.25e	30	10⅞	10¼	10¼	
FRBGa	.80	38	24	23½	24	+½
FSvWis		188	8¼	7½	8¼	−⅛
FTenN	1.40	136	23½	22	22	−⅛
FtUnCp	1.36	2135	35¾	35	35⅛	−⅛
Flexsti	.48	10	11¼	10½	11	+¼
FlaFdl		662	14¼	14	14	−⅛
FlaNFl	.96	441	39¼	39	39¼	+¼
Flurocb	.20	38	10¼	10½	10½	
Fonar		852	4½	4¼	4½	+⅛
FLion s	.04	20	9½	9½	9½	
FLion A	.06	28	8¾	8½	8½	
FthillG		427	4⅞	4⅝	4⅝	
ForestO	1	14	26¼	26¼	26¼	
FortnF		284	17¾	17¼	17½	−¼
FortnS		198	4⅛	4	4⅛	
Forum s	.06b	404	5⅝	5⅜	5⅜	
FostM s		336	14⅞	14½	14⅞	+¼
Foxmyr		16	21¾	21¾	21¾	−¼
Fremnt	.48	216	13¼	13	13	−¼
FulHB	.60	23	31¼	30⅞	31¼	
G—G						
GTS s	t	284	8½	8¼	8⅜	
Galileo		5	9	9	9	−¼
GamaB	.10	62	7½	7¼	7¼	−¼
Garcia		118	4⅞	4⅝	4⅝	
Genetch		370	30	29	30	+½
GnAut		94	10½	10	10¼	+¼
GnHme		315	7	6½	7	
GnMicr	.10	5	12⅞	12⅞	12⅞	+⅞
GenetE		28	3⅞	3½	3½	−¼
GenetL		5	4⅞	4⅞	4⅞	
GenetS		423	6⅞	5⅞	6	−⅛
Genex		452	9½	9⅛	9⅛	−¼
GaFBk		86	8½	8¼	8⅜	+⅛
GerMd s	.08	5	5¼	5	5	−¼
GibrSv		594	24½	23½	24¼	+¼
GibsnG	.14e	x3	19¼	19	19¼	
GlenFd		638	7⅞	7¼	7⅞	+⅛
GdTaco		151	3⅞	2⅞	3⅞	+⅞
Gott		6	11¾	10½	11	
GouldP	.68	154	17	16½	16¾	−¼
Graco s	.44	12	12¼	12¼	12¼	−¼
Grantre		62	5¾	5½	5½	
GrphSc s		862	4	3⅞	3⅞	+⅛
GtAFdl	.40	293	9⅞	9	9¼	−⅛
GBayCs		12	20½	19¾	20½	+1
GreenT		57	15	14¼	14⅜	−⅛
Gulfrd s		11	18	17½	17½	
GlfNuc		13	2⅞	2½	2½	−¼
Gull	.05e	42	7¾	7½	7⅞	−¼
H—H						
HBO s	.16	663	19½	18¼	19½	+½
HCC	.06e	91	8½	8	8¼	
Haber		35	19	18½	19	+½
Hadson		744	4⅛	4	4	
HaleSy		3	6	6	6	−¼
HamOil	.10	402	17	16¼	17	+1
HarpGp	.30	41	23¾	23½	23¾	+½
HlthCR	.16b	3	12¾	12¾	12¾	−¼
Hlthn		16	10	9½	10	−¼
Hlthdy s		382	8⅛	8¼	8⅜	+⅛
HechB s	.10	19	16	15¾	15¾	
HechgA	.14	45	14¼	13½	14¼	+¼
HelenT s		94	8¼	8⅝	8¼	+⅛
Helix		30	20½	20	20	−¼
Hogan s		308	15	14½	14⅞	−½
HmFSD		410	12¾	12⅝	12⅝	
HmFAc		16	13¼	13¼	13¼	+⅛
HomeHl		107	7⅛	7	7	−⅛
Honlnd	.56	12	20⅛	20¼	20¼	+¼
HookDr	1	5	19⅜	19⅜	19⅜	+⅛
Hoover	1	105	23	22¼	22¼	−½
Horzlnd		12	6¼	6½	6½	
HwBNJ		365	12⅛	11⅛	11⅛	−½
HughSp	.28	42	19¾	19¼	19½	
HungTg		28	6¼	6	6¼	
HntgBn	.48b	52	27	26½	27	+⅞
Hurco		3	12	12	12	−½
Hybrtc		79	14¼	14	14	−¼
HydeA s		4	6¼	6	6	+¼
Hyponx		10	7	7	7	+¼
HytekM		1	8¾	8¾	8¾	
I—I						
IMS Int	.24	118	27⅞	27¼	27⅞	+¼
IPL Sy		39	4¼	4	4¼	
ISC		307	12⅞	12⅝	12⅞	
Icot		329	3⅞	3¼	3⅞	+¼
Imunex		2	6	6	6	−¼
Imuno		31	4	3¾	3¾	+¼
Imugen		2	3⅛	2⅞	3⅛	+⅛
IndrsN	1.30	x27	27	26	26	−1
InfDisp		211	1⅛	1	1⅛	
Infrm		177	29	28¼	28¼	
InstNt s		74	23¼	22	23	−¼
Intecm		382	12⅛	11⅞	11⅞	−¼
Intel s		3601	31¼	30¼	31	
IntSy		131	17	16½	16½	−¼
IntrTel		65	4	4	4	
Intdyn		69	12¼	11⅝	12¼	+½
Intrfac		8	7	6¾	6¾	
Intgrph		774	35	34	35	+¼
Intrmgn		34	4⅞	4⅛	4¼	+⅛
Intmec		164	14¼	13⅞	13⅞	−¼
InCapE		1	5½	5½	5½	
IntClin		36	17¼	16¾	17	−¼
IGame		125	14¾	14½	14¾	+¼
InKing s		10	16¼	15¼	15¾	
IntLse s		56	12¾	12¼	12¼	−¼
InMobl		750	8⅛	6⅞	7⅞	+½
IRIS		167	2⅜	2 3-16	2¼	−1-16
IntTotal		15	4⅛	4	4	−⅛
InTotl wt		11	2	1⅞	2	+⅛
Itel		827	3¼	3	3	−¼
J—J						
JBRest	.20	208	11⅝	11⅞	11⅝	+⅛
Jackpot	t	95	3⅞	3⅝	3¾	+⅛
JackLfe		682	26	25¼	25¼	−¼
JamWtr		19	22¾	22¼	22⅞	−⅛
JefMart		125	5⅞	5¼	5¼	−¼
Jenco	.12	103	14½	14	14⅛	+¼
Jify s		162	1¾	1½	1¾	
JhnAm	.30a	15	8	8	8	−¼
Jonicbl	t	12	4⅞	4⅝	4⅞	
Jonel A	t	60	4⅛	4	4	
Josphsn	.50	21	10	9½	9½	−⅛
Justin s		2	12¼	12¼	12¼	−¼
K—K						
KLA s		389	22⅜	22	22	−¼
Kaman s	.48	9	19¾	19	19½	+½
Karchr		167	21½	21	21	+¼
Kasler	.60r	36	14	13¾	13¾	−½
KelyJn		176	5⅞	5⅛	5⅛	−⅛
Kempr	1.80	16	34¼	34½	34½	
KyCnLf	.70	8	19⅛	18¼	18⅞	+⅛
Kevex		5	6½	6½	6½	
Kinder s	.09	420	17½	17½	17½	−⅛
Koss		67	2¼	2⅛	2⅛	−⅛
Kratos		174	2⅞	2⅝	2⅝	−⅛
Kroy	.06	325	14	13	13¼	−⅛
Krueger s	.52	21	16	15½	16	+¼
Kulcke s	.08	307	20⅞	20⅛	20⅞	+⅛
L—L						
LDBrnk		99	8⅞	8¼	8¼	
LSI Log		595	14½	14	14¼	
LTX		46	15⅞	15½	15⅝	
LaZ By	1.04	155	28	27¾	28	+½
LaqFrn	.28	146	13½	13¼	13¼	
Laidlw s	.12	5	10	9½	10	−½
Lamaur	.80	107	13¾	13½	13½	+¼
Lancast	.58	96	14¼	14¼	14¼	−⅛
LndSF	.60	453	13½	12¾	13½	+¼
LaneC s	.90	3	32½	32½	32½	−½
Langly	.20e	15	5⅞	5	5⅞	
LeeData		214	9⅞	9½	9⅞	
LewsP	.28b	272	8½	7⅞	7⅞	−¼
Lexidta		76	6⅛	5⅞	5⅞	
LiebNatl	1	24	13	12½	12½	−½
Liebert	.05e	53	17¾	17	17½	
LilInvs	.24	19	36¼	35	35	−1½
LifeCom		42	5⅞	5¾	5⅞	−⅛
LinBrd s		977	20⅞	20¼	20⅝	
LincTel	2	47	24	23¼	24	
LizClab s	.50	487	36	35½	35½	−¼
LongF	1.20	110	22	20½	21½	
Lotus		329	20½	19¾	20	
Lynden		1	22	22	22	−½
Lypho		28	18¾	18	18½	−¼
M—M						
MCI s		8365	8¼	7½	8¼	+⅛
MPSI s		13	9½	9	9	−¼
MTS Sy	.32	5	23⅞	23¼	23¼	
MachTc		77	6½	6⅜	6½	−⅛
MackTr		3165	15⅞	14¾	15¼	−½
MacGE	2.08	x27	20⅞	20	20	−¼
MagCti		5	10¼	10¼	10¼	
MgRt		756	9½	9¼	9½	+¼
Mainte		127	8¼	8	8	−¼
MgtSci		310	16⅞	16½	16⅞	
Manrw	.80	x216	19	18⅞	18⅞	−⅛
MrrsNt	1.60	444	29¾	29¼	29¾	+½
Marcus	.25e	27	12¼	12	12	−¼
Marqst		214	8¼	8	8¼	
Masstcr		1899	4½	4⅛	4½	+¼
MrndN	1.36	34	30½	30¼	30¼	
MatrxS	.10	1	25	25	25	+½
Maxwel		86	10¼	10	10	−¼
MayPt		382	7⅛	6⅞	6⅞	−⅛
MaynOl		1	4⅞	4⅞	4⅞	
McCrm	.88a	387	29¼	28⅞	29	
McFarl		51	16¼	16	16	
McQuay		46	11	10¼	10¼	−¼
Medar	.04	4	8	7½	7½	−½
MedCare		171	9⅛	9	9⅛	+¼
Megdat		1	8¼	8¼	8¼	−¼
Mentor		292	9¼	8¾	9¼	+1
MentrG		128	20⅛	19⅞	20⅛	
MercB s	1.92	145	25⅞	25¼	25½	−⅛
MrcBc s	2.20	17	29¾	29¼	29¼	−⅛
Micom		216	37½	37	37½	+½
MicrD		48	7½	7	7	
MicrMk		11	12⅞	12¼	12⅞	+⅛
Micrdy	.06	94	8⅛	8⅛	8⅞	+½
Microp		429	6½	6	6	−½
MicrSm		56	5¼	5	5¼	
MdStFd	.40e	12	20¼	19½	20¼	−½
MdBk s		272	22⅞	21½	21⅞	−⅛
MdwAir		42	8½	7¾	7¾	
MdwCa		1684	1¼	⅞	1	−½
MillTch		13	3¼	3	3¼	−¼
MillHr s	.36	x36	21	20½	20¼	
Milicm		146	7½	6⅞	7	−½
Millpr	.40	250	28½	28⅛	28¼	+¼
Minstr s		1296	14½	14	14	−½
MrGask	.01e	327	11¼	11	11	−⅝
MobIC A		212	7⅛	7	7⅛	
MobIC B		373	7½	7	7½	
Molecr		135	11	9½	10	−½
Molex	.03	97	38	36½	38	+½
MonCa	1.40	45	32	31¼	32	+½
Monchk		141	7⅛	7¼	7⅛	+⅛
Moncor	.44	37	5	4⅛	4⅛	
MonfCl		2	14⅛	14⅛	14⅛	
MonAnt		11	10½	10	10½	
Monolit s		1122	18¾	18⅛	18⅞	+½
MonuC	1.20	3	24¼	24¼	24¼	−¼
MorFlo	.01	27	12½	12⅛	12½	
MorKg	.06a	265	9	8½	8⅞	−⅛
Morrsn	.40b	32	14	13¾	13¾	
Moseley		56	4⅛	4½	4½	
MotCb	.20	175	17	15½	16¾	+1¼
Multmd	.60	810	37¾	37¼	37¼	−¼
Mylan s	.05i	146	20⅛	19½	20	+¼
N—N						
NCA Cp		133	11¼	11	11¼	+¼
NMS		138	2⅞	2⅝	2⅞	+¼
NtCty s	1.90	261	27¼	26⅞	27	−¼
NtCptr s	.20	40	16½	16	16	
NData	.40	93	16¼	16½	16¼	+⅞
NHlthC		5	19¼	19¼	19¼	
NMicr s		748	10	9⅝	9⅝	+⅛
NTech	t	21	4½	4	4½	+¼
NatrBty		31	5¼	5½	5¼	
Naugle		330	8⅛	8⅛	8¼	+⅛
NelsnT s	.16	53	12¼	12	12¼	
Nelson s		1601	10¾	10	10¾	+½
NwkSec		112	6	5⅞	6	−½
NetwkS		1142	20⅛	18⅞	19⅞	+1½
NYAirl		45	3⅞	3¼	3⅞	
Newpt s		125	19½	18¼	18¾	−½
NwpPh		55	4⅞	4½	4⅞	−⅛
NiCal g		479	6	5⅞	6	+½
NickOG		873	4⅛	3⅞	3⅞	−⅛
NeisA	.78	1126	42⅞	41⅞	42⅝	
NeisB	.76	225	42½	41⅝	41¼	−⅝
Nike B	.40	x188	10⅛	9⅞	10	+⅛
Nordst s	.40	88	31½	30¾	31	
Norlin		3	28½	28½	28½	
Norstan		88	7¼	6½	7½	+¼
NAtlin s		54	9¼	8¾	8⅞	−⅛
NestSv		36	8⅛	8	8¼	−⅛
NwtFin	1.16	5	31¾	31½	31¾	−⅛
NwNLf	1.50	171	39¾	39	39½	−½
Novell	.76	43	32⅞	32½	32⅞	−½
NuclPh		315	6⅞	6½	6¾	+⅛
Numerx		8	6¼	6½	6½	−¼
NuMed		91	9⅞	9¼	9¼	−½
O—O						
OCG Tc		227	4⅛	4	4¼	−⅛
OakHill s		111	3½	3¼	3¼	−¼
ObjRec		131	5¼	4⅞	5¼	
Oceaner		25	6⅝	6½	6⅝	+¼
Ocilla		19	16	15½	15½	−⅝
Odetics		2	12¼	12¼	12¼	
OffsLog		69	6⅞	6½	6½	+⅛
OhioCa	2.68	x581	40⅛	39⅞	39⅞	−¼
OldRep	.88	108	31⅛	30⅞	30⅞	+⅛
OldSt pfC	2.50	x20	20¼	19¾	19¾	−⅛
OnLine		9	10½	9½	9½	−½
Onyx		535	3¼	3½	3¾	+¼
OpticC		387	21¾	21	21½	−½
OpcR s		210	34¾	34	34½	+½
Orbanc		28	12½	12⅛	12⅞	−⅛
Orbit		139	6	5⅞	6	
Oshmn	.20	3	15¼	15¼	15¼	+¼

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CANADA

TORONTO

Closing prices May 25

Sales	Stock	High	Low	Close	Chng
1125	Abti Prce	$13½	13¼	13¼	−⅛
2450	Acklands	19	19	19	
12750	Agnico E	$15⅛	15⅛	15⅛	+⅛
1621	Agra Ind A	480	475	475	+5
7590	Alta Energy	$21½	20⅞	21	
2125	Alta Nat	$11	10⅞	10⅞	−⅛
433	Alg Cent	$19⅛	19⅛	19⅛	−⅛
551	Algoma St	$21	21	21	−⅛
55	Andes WA f	$22⅜	22⅜	22⅜	−⅛
5	Argus C pr	$9⅞	9⅞	9⅞	−⅛
1000	Asbestos	$9⅞	9½	9½	+⅛
2535	Atco I f	$9⅞	9⅞	9⅞	+⅛
3334	BP Res	$22¼	22	22⅛	
67554	Bank N S	$10⅞	10¼	10⅜	+⅛
32033	Barrick o	158	152	157	+1
300	Baton A f	$11⅞	11⅞	11⅞	−⅛
1757	Bonanza R	435	430	430	
1475	Bralorne	$6⅝	6⅝	6⅝	−⅛
2100	Bramalea	$13½	12⅞	12⅞	−⅛
5600	Brenda M	$12½	12⅛	12⅛	+⅛
11542	BCFP	$9⅞	8⅞	9	−⅛
19900	BC Res	335	320	335	+10
4225	BC Phone	$19¾	19½	19⅝	+⅛
400	Brunswk	$16⅛	16⅛	16⅛	−⅛
1000	Budd Can	$12⅞	12⅞	12⅞	
1200	CAE	$18⅞	18⅞	18⅞	−⅛
73900	CDistb B f	$6⅛	5⅞	5⅞	−⅛
71150	Cad Fry	$12⅞	12⅜	12⅜	−⅛
7450	Campeau	$10½	9⅞	10¼	−⅛
31250	C Nor West	$30⅞	29⅞	30⅛	−⅛
800	C Packrs	$26⅞	26⅛	26⅛	−⅛
284	Can Trust	$20	20	20	−⅛
205	C Tung	$13⅞	13⅞	13⅞	−⅛
25414	CI Bk Com	$24⅞	23⅞	24⅛	+1⅛
2700	Con Nat Res	48	46	48	−6
25633	CTire A f	$10⅞	10⅞	10⅞	+⅛
52519	C Util B	$14	13⅞	14	−⅛
500	Cara	$10⅝	10⅜	10⅜	
232	Celanese	$8⅞	8⅞	8⅞	+⅛
1550	C Dist A	$5⅞	5⅞	5⅞	+⅛
79590	CDistb B f	$5⅞	5⅞	5⅞	−⅛
5375	CTL Bank	$10⅛	9⅞	10	−⅛
200	Conventrs	350	350	350	+10
200	Conwest A	$9⅞	9⅞	9⅞	
6600	Coseka R	340	330	340	+15
2643	Crownx	$15⅛	15	15⅛	
3550	Czar Res	170	170	170	
57110	Dacn Dev	153	150	151	
41200	Denison A	$18¼	18⅛	18⅛	−¼
1200	Denison B f	$18⅛	18⅛	18⅛	
7255	Develcon	$9½	9⅜	9⅜	−⅛
6850	Dicknsn A f	$6	5⅞	5⅞	+⅛
8050	Dicknsn B	$6	5⅞	5⅞	+⅛
2990	Doman A	265	256	265	+20
60944	Dofasco A	$19⅞	19⅝	19⅝	−¼
7	Dom Store	$19⅞	19⅞	19⅞	−⅛
700	Du Pont A	$17¼	17	17	−¼
40650	Dyex A	$18⅞	18	18⅞	−⅜
1150	Elechom X	430	420	430	
500	Emco	$15	15	15	
2700	Equity Svr	$10⅛	10⅛	10⅛	+¼
100	FCA Intl	$18⅛	18⅛	18⅛	+⅛
8662	C Falcon C	$15	14⅞	15	+¼
5065	Ficonbrge	$60	60	60	−1
400	Fed Ind A	$18	18	18	
36100	F City Fin	$13¼	13	13⅛	+⅛
100	Fraser	$20	20	20	−1
30	Fruehauf	$17	17	17	−½
7000	Gendis A	$20	20	20	
2698	Geac Comp	$15⅞	15⅛	15⅛	+⅛
32350	Geocrude	250	240	250	+11
1200	Gibraltar	$9	8⅞	8⅞	
56890	Goldcorp f	$7½	6⅞	7⅞	+⅛
1600	Grandma	75	75	75	
800	Gt Pacific	$23⅛	23⅛	23⅛	
5420	Greyhnd	$20⅞	20⅞	20⅞	−⅛
71300	Hrding A f	220	210	210	+10
1450	Hawker	$17¼	16⅞	17	+½
1000	Hayes D	$15⅛	15	15⅛	+⅛
1271	H Bay Co	$21⅞	21⅞	21⅞	
7380	Imasco	$36⅛	36	36⅛	−⅛
4325	Indal	$11⅞	11⅞	11⅞	−⅛
727	Inland Gas	$14⅛	14	14⅛	+¼
9837	Inter Pipe	$26⅞	26⅛	26⅛	
6643	Inv GrA f	$44⅞	43	43	−1
300	Iaco B	$16¼	16⅛	16¼	−⅛
3330	Jannock	$12½	12⅛	12½	
1100	Kam Kotia	125	122	125	−1
1200	Kelsey H	$26⅞	26⅛	26⅛	−⅛
1040	Kerr Add	$16¼	16¼	16¼	−⅛
2421	Labatt	$17⅞	17⅛	17⅛	+⅛
31	Lobmn	$59⅛	59¼	59¼	−¼
88046	Lac Mnrls	$32⅞	31⅞	32⅛	+1½
100	LOnt Cem	$7⅞	7⅞	7⅞	
24750	Lacana	$12½	12	12⅛	+½
433	LL Lac	$36½	36¼	36½	+½
1000	Loblaw Co	$14⅞	14⅛	14⅛	
700	MDS H A	$18	16	16	−⅛
100	MICC	425	425	425	
20100	Mclan H X	$17½	17⅛	17⅛	+⅛
373	Merland E	470	470	470	
2123	Molson A f	$16½	16⅜	16⅜	−½
500	Molson B	$15⅞	16⅜	16⅜	−⅛
157	Nat Trust	$39	39⅛	39⅛	−⅛
35642	Noranda	$19⅛	19⅛	19	+⅛
6238	Norcen	$17⅞	17⅛	17⅛	+⅛
15089	Nva AltA f	$6⅞	6⅞	6⅞	
12650	Nowsco W	$20	19⅞	19⅞	−⅜
19312	Nu-West A	73	71	73	+2
1425	Oakwood	$6⅞	6⅞	6⅞	−⅛
250	Oshawa A f	$35⅛	35	35⅛	+⅛
3400	Pamour	$12¼	12¼	12⅛	+⅛
1000	PanCan P	$25¼	25⅛	25⅛	−⅛
1600	Pembina	$15⅛	16⅛	16⅛	−⅛
400	Phonix Oil	$7	7	7	−⅛
237	Pine Point	$26⅞	25⅞	25⅞	+⅛
10300	Place GO o	110	110	110	
34295	Placer	$20⅞	19⅞	20⅛	+½
675	Provigo	$17⅞	17	17⅛	+⅛
1700	Que Sturg o	$6⅛	6⅛	6⅛	−⅛
300	Ram Pet o	$9	9	9	
13450	Rayrock f	$11⅛	10⅞	11⅛	+⅛
700	Redpath	$24⅞	24⅞	24⅞	+⅛
1000	Rd Stenhs A	$11⅞	11⅛	11⅛	
1196	Reichhold	$9⅞	8⅞	8⅞	+⅛
2800	Res Serv f	190	185	190	+10
1827	Revn Prp A	160	160	160	−2
800	Rogers A	$7⅛	7⅛	7⅛	−⅛
400	Roman	$14⅛	14⅛	14⅛	+⅛
400	Rothman	$45⅞	45⅞	45⅞	
8130	Sceptre	$6⅛	6⅛	6⅛	+⅛
12801	Shell Can	$25⅞	25⅞	25⅞	
14410	Sherritt	$7⅞	6⅞	7⅞	+⅛
1900	Sigma	$14	13⅞	14	+½
1800	SSears A f	$7⅛	7⅛	7⅛	
2250	Southm	$46⅞	46	46	−½
17187	Stelco A	$23	22⅞	23	+⅛
100	Sulpetro B f	460	460	460	+10
504	Suncor pr	$24	24	24	
11946	Sydney o	90	85	90	+6
1550	Talcorp	115	110	110	−10
2100	Tara o	$16⅞	16⅞	16⅞	−⅛
1860	Teck Cor A	$10⅞	10⅞	10⅞	
22738	Teck B f	$9⅞	9⅞	9⅞	
12200	Tex Can	$36⅛	36	36	−½
3416	Thom N A	$38⅞	38⅛	38⅛	
36879	Tor Dm Bk	$14⅞	13⅞	14⅛	+⅛
1550	Torstar B f	$17⅞	17⅛	17⅛	
275	Traders A f	$19	19	19	−⅛
1225	Trns Mt	$6⅞	6⅞	6⅞	−⅛
350	Trinity Res	39	39	39	−⅛
1115	TrAlta UA	$20⅞	20	20⅛	
17408	TrCan PL	$15⅞	15⅛	15⅛	
6431	Trimac	$6	5⅞	6	
6200	Trizec A f	$17⅞	16⅞	17⅞	−⅛
12300	Turbo f	390	340	390	[illegible]
530	Unicorp A f	$9⅞	9⅛	9⅞	+⅛
300	Un Carbid	$13⅞	13⅞	13⅞	+⅛
6027	Union Gas	$10⅞	10⅛	10⅛	+⅛
1650	U Keno	$16⅞	16⅛	16⅞	+⅛
2400	U Siscoe	400	400	400	−5
1840	Verdt A f	$7⅞	7⅛	7⅛	
1430	Vestgron	$14⅞	14⅛	14⅛	−⅛
103	Westeel	$16	16	16	
1930	Westmin o	26	25	26	−3
15130	Weston	$12⅞	12⅛	12⅛	−⅛
1235	Weston	$66⅞	66⅛	66⅛	
3062	Woodwd A	$12⅞	12⅛	12⅛	−⅛
1000	Yk Bear	$9⅞	9⅞	9⅞	

Total sales 9,270,732 shares

MONTREAL

Closing prices May 25

Sales	Stock	High	Low	Close	Chng
25676	Bank Mont	$22⅞	22⅛	22⅛	+⅛
2700	ConBath	$26⅞	26⅛	26⅛	
2833	DomT	$15	15⅛	15⅛	
12964	NatBk Cda	$10⅞	10⅛	10⅛	
400	Power Corp	$19⅞	19⅛	19⅛	−⅛
100	RollandA	$13⅞	13⅞	13⅞	−⅛
15481	Royal Bank	$25⅞	25⅛	25⅛	+¼
300	RoyTrstco	$24	24	24	
400	SteinbrgA	$24⅞	24⅛	24⅛	+⅛

Total sales 1,078,116 shares

AUSTRIA

May. 28	Price Sch%	+ or −
Creditanstalt	211	.....
Goesser	330	+1
Interunfall	407	.....
Laenderbank	205	.....
Perlmooser	360	.....
Stayr-Daimler	148	.....
Veitscher Mag	216	.....

BELGIUM/LUXEMBOURG

May 28	Price Frs.	+ or −
ARBED	1,650	−20
Banq Int A Lux	5,052	.....
Bekaert B	4,000	.....
Ciment CBR	2,475	+25
Cockerill	292	+7
Delhaize	4,830	.....
EBES	2,490	−10
Electrobel	7,110	−40
Fabrique Nat	1,960	−20
GB Inno BM	3,170	−10
GBL (Brux)	2,340	.....
Gevaert	3,225	−35
Hoboken	5,450	+50
Intercom	1,870	−30
Kredietbank	7,300	+10
Pan Hldgs	10,000	.....
Petrofina	7,150	−60
Royale Belge	9,580	.....
Soc. Gen. Banq	3,175	−30
Soc. Gen. Belge	1,820	−5
Sofina	6,180	−60
Solvay	4,170	−30
Traction	3,860	−25
UCB	4,800	.....
Vieille Mont	3,950	.....

DENMARK

May 28	Price Kr. %	+ or −
Aarhus Olie	380	−20
Andelsbanken	220	+1
Baltic Skand	635	.....
CopHandelsbank	227	.....
D. Sukkerfab	590	.....
Danske Bank	219	+2
East Asiatic	170	−5
Forenede Brygg.	980	.....
Forenede Damp.	160	−10
GNT Hldg	475	−50
I.S.S.B.	510	.....
Jyske Bank	520	.....
Novo Ind	2,175	.....
Privatbanken	217	−3
Provinsbanken	307	.....
Smidth (F)	207	.....
Sophus Berend	1,025	−30
Superfos	441	+3

FRANCE

May 28	Price Frs.	+ or −
Emprunt 4½% 1973	1,848	+8
Emprunt 7% 1973	9,866	+98
CNE 3%	3,748	+33
Air Liquide	516	.....
BIC	401	+1
Bouygues	651	−7
BSN Gervais	2,501	−9
CIT-Alcatel	1,250	−11
Carrefour	1,260	−415
Club Mediter'n	861	+5
CFAO	641	−34
Cie Bancaire	487	−4
Cofimeg	227.5	−2.5
Creusot Loire	25	−5.2
Darty	915	+13
Dumez S.A.	694	+3
Eaux (Cie Gen)	532	−6
Elf-Aquitaine	260	+2.9
Gen. Occidentale	610	−7
Imetal	95.4	+2.4
Lafarge Coppee	354	+3
L'Oreal	2,588	−6
Legrand	1,895	+19
Maisons Phenix	208	+4
Matra S.A.	1,460	−20
Michelin B	785	+5
Midi (Cie)	1,577	−10
Moet-Hennessy	1,514	+4
Moulinex	98.5	+0.4
Nord Est	51	−0.2
Perrod Ricard	771	+10
Perrier	518	+4
Petroles Fra	293	+8
Peugeot S.A.	225.1	+0.1
Poclain	42.5	−2
Printemps Au	149.5	−1.5
Radiotech	291	+3
Redoute	1,140	−10
Roussel-Uclaf	1,115	.....
Schneider S.A.	86	−2.5
Sefimeg	250.5	−2.5
Skis Rossignol	1,379	+49
Telemech Elect	1,550	−35
Thompson (CSF)	301	+2
Valeo	254	.....

GERMANY

May 28	Price Dm.	+ or −
AEG-Telef	95.1	−0.1
Allianz Vers	764	+5
BASF	163.0	−0.5
Bayer	168.0	−0.2
Bayer-Hypo	287.0	−1.5
Bayer-Verein	316	.....
BHF-Bank	266	+3
BMW	382.1	−2.4
Brown Boveri	210.5	+0.5
Commerzbank	162.5	+0.5
Cont'l. Gummi	125.0	−0.3
Daimler-Benz	568.0	+0.2
Degussa	377.0	+1.5
D'sche Babcock	154.5	+0.5
Deutsche Bank	354.5xd	+0.5
Dresdner Bank	160	−7
GHH	146.5	.....
Hochtief	520	+1
Hoechst	173.2	−0.1
Hoesch Werke	115.6	−0.4
Holzmann (P)	424	−1
Horten	194.5	+0.5
Kali und Salz	204	+1.5
Karstadt	257	+2.0
Kaufhof	232	−3.0
KHD	248	+2
Kloeckner	60	−1.2
Krupp	78	.....
Linde	374	+1
Lufthansa	133.5	.....
MAN	148	.....
Mannesmann	142.8	+0.1
Mercedes Hld	493	.....
Metallgesell	241	.....
Muench Rueck	1,037	.....
Preussag	266	.....
Rhein West Elect	162.7	+0.1
Rosenthal	231	+1.5
Schering	336	−1
Siemens	388.3	−1.7
Thyssen	84	.....
Varta	178.5	+1.2
Veba	168.4	+0.1
V.E.W	119.6	−0.5
Verein-West	298	+1
Volkswagen	189.7	−1.8

ITALY

May 28	Price Lire	+ or −
Banca Com'le	33,000	+800
Bastogi-IRBS	120.5	−4.9
Centrale	2,185	−36
Credito Varesino	4,330	−90
Fiat	3,900	−130
Finsider	35	−1.4
Generali Assicur	35,230	+230
Invest	3,211	−20
Italcementi	45,490	−10
Montedison	210.6	−3.4
Olivetti	4,900	−105
Pirelli Co	2,607	−53
Pirelli Spa	1,431	−55
Snia BPD	1,490	−45
Toro Assic	11,250	−240
do. Pref	8,650	−150

NETHERLANDS

May 28	Price Fls	+ or −
ACF Holding	182	+3
AEGON	121	−1.5
Ahold	177	+2.9
AKZO	89.3	+4.7
ABN	338	+5
AMEV	143	+1.1
AMRO	60.5	+2
Bredero Cert	180	+8
Bos Kalis Westm	31.6	+0.9
Buehrmann-Tet	66	+1
Calland Hldgs	35	+0.9
Credit Lyon'is Bk	53.4	−0.1
Elsevier-NDU	78	+3.8
Gist. Brocades	135.5	+2
Heineken	127	+3.5
Hoogovens	52.1	+2.6
Hunter Douglas	25	.....
Int Mueller	37	+1.7
KLM	155	+3
Naraden	40	+3.5
Nat Ned Cert	223.3	+1.3
Ned. Credit Bank	40	.....
Ned Mid Bank	135.2	+0.7
Nedlloyd	115	+1.5
Oce Grinten	224	+6
Ommeren (Van)	28.1	−0.2
Pakhoed	60.8	.....
Philips	44.6	+0.9
Rijn-Schelde	3.3	−0.1
Robeco	61.2	.....
Rodamco	135.6	+0.1
Rolinco	57.8	−0.1
Rorento	198.3	+0.3
Royal Dutch	157.3	+2.6
Unilever	237.9	+1.4
VMF Stork	113	+4
VNU	152	+3
West Utr Bank	88.9	−0.9

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

NORWAY

May. 28	Price Kroner	+ or −
Bergen Bank	169	−3
Borregaard	227.5	−12.5
Christiania Bk.	166	−5
Den Norsk Credit	164.5	−2.5
Elkem	146	−1.5
Norsk Data	315	+20
Norsk Hydro	659	+3
Storebrand	220	+1

SPAIN

May. 28	Price Pta %	+ or −
Bco Bilbao	320	.....
Bco Central	320	.....
Bco Exterior	202	.....
Bco Hispano	224	−1
Bco Santander	301	.....
Bco Vizcaya	372	+2
Dragados	149	−3
Hidrola	50.7	−0.3
Iberduero	59	+1
Petroleos	124	−1
Telefonica	83.5	.....

SWEDEN

May 28	Price Kronor	+ or −
AGA	331	−7
Alfa-Laval	231	+1
ASEA (Free)	295	−10
Astra (Free)	410	−10
Atlas Copco	116	+1
Boliden	392	+7
Cardo (Free)	375	.....
Cellulosa	140	+3
Electrolux B	251	−12
Ericsson	304	+1
Esselte	285	−5
Mo Och Domsjo	362xa	.....
Pharmacia	245	+5
Saab-Scania	373	−9
Sandvik	400	.....
Skandia	355	.....
Skan Enskilda	326	.....
SKF	187	+3
St. Kopparbergs	665	+5
Sven Handelsbn	184	+2
Swedish Match	234	.....
Volvo B (Free)	470	+15

SWITZERLAND

May 28	Price Frs.	+ or −
Alusuisse	785	−2
Bank Leu	3,800	+50
Brown Boveri	1,295	+10
Ciba Geigy	2,220	+10
do. (Part Certs)	1,690	.....
Credit Suisse	2,215	+15
Elektrowatt	2,475	−25
Fischer (Geo.)	608	.....
Genevoise	3,750	−50
Hoff-Roche PtCts	100,250	+500
Hoff-Roche 1/10	10,025	+50
Jacobs Suchard	6,525	.....
Jelmoli	1,810	+10
Landis & Gyr	1,350	+40
Nestle	5,045	−5
Oer-Buehrle	1,200	+5
Pirelli	247	.....
Sandoz (Br)	6,625	+25
Sandoz (PtCts)	950	−20
Schindler (PtCts)	550	−5
Swissair	965	+5
Swiss Bank	340	+5
Swiss Reinsce	7,850	.....
Swiss Volksbk	1,380	+10
Union Bank	3,400	+10
Winterthur	2,930	−80
Zurich Ins	17,100	−100

AUSTRALIA

May 28	Price Aust $	+ or −
ANZ Group	5.4	+0.02
Acrow Aust	1.6	.....
Alliance Oil D.	0.61	−0.01
Ampol Pet	1.65	.....
Aust Cons Ind	1.7	.....
Aust. Guarant	2.45	−0.05
Aust. Nat. Inds	2.4	+0.05
Aust. Paper	1.85	−0.01
Bell Group	4.5	−0.05
Bond Corp Hldgs	1.3	.....
Boral	3.18	.....
B'ville Copper	2.14	+0.02
Brambles Inds	2.6	−0.05
Bridge Oil	2.4	−0.1
BHP	8.86xd	+0.14
CRA	5.04	+0.1
CSR	3.1	+0.05
Carlton Utd	4.15	+0.05
Castlemaine Tys	4.25	.....
Coles (G.J.)	3.5	+0.1
Comalco "A"	2.5	−0.18
Consolidated Pet	0.55	+0.05
Costain Aust	1.3	.....
Dunlop Aust	1.57	−0.03
E.Z. Inds	4.6	−0.1
Elders IXL	3.6	+0.1
Energy Res	1.53	.....

AUSTRALIA (continued)

May. 28	Price Aust. $	+ or −
Gen Prop Trust	2	.....
Hardie (J.)	3.02	+0.02
Hartogen Energy	2.5	−0.1
HeraldW'y Times	3.15	.....
ICI Aust	1.9	.....
Jimb'lana (50cFP)	0.26	.....
Kia Ora Gold	0.14	.....
Lend Lease	4.65	−0.05
MIM	3.0	+0.07
Mayne Nickless	2.12	−0.03
Meekatharra	0.55	.....
Myer Emp	1.7	−0.05
Nat. Com. Bk	3.2	+0.05
News	9	+0.26
Nicholas Kiwi	2.58	−0.02
North Bkn Hill	2.32	−0.02
Oakbridge	0.88	.....
Otter Expl	0.65	+0.05
Pancont'l	1.18	+0.08
Pioneer Conc	1.4	+0.05
Queensland Coal	1.01	−0.01
Reckitt & Coln	2.6	−0.02
Repco	1.1	.....
Santos	5.6	+0.06
Smith (H.)	3.65	−0.05
Southland Min'g	0.37	+0.02
Spargos Expl	0.35	.....
Thos. Natwide	1.67	+0.02
Tooth	5.3	.....
Vamgas	2.88	−0.02
Western Mining	3.35	+0.05
Westpac	3.66	+0.06
Woodside Petrol	1.04	+0.01
Woolworths	2.28	+0.03
Wormald Intl	3	−0.1

HONG KONG

May. 28	Price H.K.$	+ or −
Bank East Asia	20.8	−0.5
Cheung Kong	8.25	−0.25
China Light	11.4	+0.2
Hang Lung Devel	2.35	.....
Hang Seng Bank	34.25	+0.5
HK Electric	6.45	+0.05
HK Kowloon Wh	3.57	+0.07
HK Land	2.97	+0.07
HK Shanghai Bk	6.25	+0.1
HK Telephone	41	.....
Hutchison Wpa	11.3xa	+0.3
Jardine Math	9	+0.15
New World Dev	3.02	+0.05
Orient O'seas	2.37	.....
O'seas Trust Bk	2.77	+0.02
SHK Props	6.15	+0.15
Swire Pac A	15.8	+0.4
Wheel'k Mard A	3.15	+0.1
Wheel'k M'time	1.9	.....
World Int. Hldgs	1.91	+0.01

JAPAN

May. 28	Price Yen	+ or −
Ajinomoto	1,080	−10
Alps Electric	2,150	−10
Amada	1,100	+50
Asahi Chem	569	+3
Asahi Glass	695	.....
Bridgestone	557	−3
Canon	1,210	+30
Casio Comp	1,280	+20
Chugai Pharm	1,050	.....
Citizen	504	+4
Daiei	675	.....
Dai Nippon Ptg	902	−58
Daiwa House	440	+4
Ebara	316	+6
Eisai	1,050	+20
Fanuc	8,260	−50
Fuji Bank	886	−14
Fuji Film	1,620	+30
Fujisawa	825	−14
Fujitsu	1,180	+10
Green Cross	1,700	−30
Hasegawa	370	−13
Heiwa Real Est	568	.....
Hitachi	840	+2
Hitachi Credit	1,590	−10
Honda	1,100	+10
House Food	765	+5
Hoya	1,810	+20
Itoh (C)	300	.....
Ito Yokado	1,810	+20
Iwatsu	1,610	+30
JACCS	346	.....
JAL	3,100	+10
Jusco	800	+1
Kajima	291	.....
Kao Soap	730	−10
Kashiyama	611	.....
Kirin	566	−4
Kokuyo	1,000	.....
Komatsu	468	+1
Konishiroku	596	+1
Kubota	305	−3
Kumagai	425	−10
Kyoto Ceramic	5,650	−100
Maeda Const	486	+1
Makino Milling	1,240	−10
Makita	967	−3
Marubeni	380	+3
Marudai	600	.....
Marui	1,090	−10
MEI	1,730	−20
M'ta Elec Works	680	.....
M'bishi Bank	930	−20
M'bishi Corp	518	−1
M'bishi Elec	396	+1
M'bishi Estate	484	+6

JAPAN (continued)

May. 28	Price Yen	+ or −
MHI	238	+2
Mitsui Co	341	.....
Mitsui Estate	655	−6
Mitsukoshi	365	+5
NGK Insulators	715	−5
Nihon Cement	202	+2
Nippon Denso	1,430	+10
Nippon Elect	1,190	.....
Nippon Express	302	.....
Nippon Gakki	608	−2
Nippon Kokan	144	−2
Nippon Oil	1,090	−10
Nippon Seiko	534	+9
Nippon Shimpan	561	−14
Nippon Steel	163	+2
Nippon Suisan	318	−1
NTV	11,300	−200
Nippon Yusen	238	.....
Nissan Motor	625	.....
Nisshin Flour	433	+3
Nisshin Steel	205	−4
Nomura	718	−2
Olympus	860	+16
Omron Tateisi	1,710	.....
Orient Leasing	3,170	−110
Pioneer	2,590	−10
Renown	636	−10
Ricoh	900	−28
Sankyo	697	+8
Sanyo Elect	486	+5
Sapporo	409	+2
Sekisui Prefab	560	.....
Seven-Eleven	8,090	−190
Sharp	1,090	.....
Shimadzu	656	−4
Shionogi	638	−9
Shiseido	1,050	.....
Sony	3,310	−10
Stanley	677	−3
S'tmo Bank	965	−35
S'tomo Elect	627	+6
S'tomo Marine	409	.....
S'tomo Metal	170	.....
Taihei Dengyo	490	.....
Taisei Corp	214	+1
Taisho Pharm	899	−20
Takeda	704	+11
TDK	5,300	.....
Teijin	378	+3
Teikoku Oil	729	−20
Tokyo Marine	555	+4
TBS	765	−14
Tokyo Elect Pwr.	1,110	−20
Tokyo Gas	154	−5
Tokyo Sanyo	699	−17
Tokyo Style	760	−10
Tokyu Corp	296	−3
Toppan Print	750	+5
Toray	415	−2
Toshiba Elect	396	.....
TOTO	570	.....
Toyo Seikan	716	−19
Toyota Motor	1,320	.....
Victor	2,300	−70
Wacoal	775	−5
Yamaha	526	−1
Yamanouchi	1,380	−40
Yamazaki	683	+2
Yasuda Fire	282	−2
Yokogawa Bdge	407	+1

SINGAPORE

May. 28	Price $	+ or −
Boustead Hldgs	2.45	−0.05
Cold Storage	3.32	.....
DBS	8.8	+0.05
Fraser & Neave	5.75	−0.15
Genting	5.2	+0.05
Haw Par. Bros	2.31	−0.03
Inchcape Bhd	2.68	+0.02
Keppel Shipyard	2.55xa	−0.05
Malay Banking	8.5	−0.5
Malay Brew	6.6	−0.1
Multi Purpose	1.94	−0.01
OCBC	9.95	+0.1
OUB	4.38	.....
Sime Darby	2.25	−0.1
Straits St'mship	1.51	+0.01
Straits Trdg	6.65	−0.05
UOB	4.96	−0.04

SOUTH AFRICA

May. 28	Price Rand	+ or −
Abercom	2.0	−0.1
AE & CI	9.3	−0.1
Anglo Am Coal	30.5	.....
Anglo Am Corp	32.55	+0.3
Anglo Am Gold	149.75	+0.75
Barclays Bank	19.75	.....
Barlow Rand	14.3	−0.2
Buffels	81.0	+1.0
CNA Gallo	2.9	.....
Currie Finance	5.2	.....
De Beers	9.3	+0.08
Driefontein	48.5	+0.75
FS Geduld	52.35	+1.0
Gold Fields S.A.	30.0	.....
Highveld Steel	5.4	.....
Nedbank	15.5	−0.1
OK Bazaars	18.0	.....
Protea Hldgs	2.79	+0.04
Rembrandt	26.0	−0.75
Rennies	15.5	+0.25
Rust. Plat	14.8	−0.05
Sage Hldgs	8.5	.....
SA Brews	7.6	.....
Smith (C.G.)	23.5	−1.0
Tongaat Huletts	11.7	−0.1
Unisec	5.65	+0.05

AMERICAN STOCK EXCHANGE CLOSING PRICES

Continued from Page 23

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
27¼	14	Schob	.50	3.1	11	7	16	16	16	−⅛
4½	1⅞	SchoolP			8	11	2	1⅞	1⅞	−⅛
31⅞	3⅞	SciMgt	.10	1.8		83	5½	4⅞	5⅜	+½
37	21¼	SciLsg			15	16	26½	26¼	26⅛	−⅛
41⅞	30	Scope	.30	.9	9	15	34⅛	34⅛	34¼	+⅛
20¼	12	ScurR	s			7	13⅞	13⅞	13⅞	−⅛
39½	33	SbdCp	.50	1.4	11	40	36⅞	34½	34⅝	−1⅛
3⅞	1½	Seaport			25	23	2¼	2⅛	2⅛	+⅛
9⅞	3⅞	Seapl pf				z100	5½	5½	5½	
14⅛	10	SecCap	.08e	.6	11	149	12⅞	12⅜	12⅞	−⅛
8⅞	4⅝	SelsPro				2	5⅛	5⅛	5⅛	
9⅞	2⅛	SelsDlt				248	3⅞	3	3⅞	+⅛
7⅞	3⅞	Selas				6	4	4	4	
6⅞	3	SelgAs			7	4	3½	3½	3½	−⅛
10⅞	4⅞	Semtch				3	4½	4½	4½	+⅛
16⅞	8¼	Servo			14	14	8⅞	d7⅞	7⅞	−⅜
11⅞	6¼	Servotr	.80t	13	5	41	6⅞	d5⅞	6	−⅛
25⅛	15¼	Seton s	.20	1.0	10	8	20⅞	20⅛	20⅞	−⅛
14⅛	6⅞	ShaerS	.60e	5.1	6	25	11¼	11¼	11¼	
5¼	2⅞	Sharon				3	2½	2½	2½	+⅛
34⅞	10½	Shopwl	.16b	1.5	12	50	10⅞	10¼	10⅞	−⅛
20⅞	13¼	Shwbt	s .60	3.7	10	10	16¼	16¼	16¼	
16¼	10½	Sieron	.30e	2.6	10	5	11½	11½	11½	+⅛
11⅛	6⅞	Sifco	.20	3.1	23	8	6⅞	d6⅞	6⅞	
27⅞	17¼	SilvesA	.30	1.7	9	131	17⅞	d17	17⅞	+¼
13⅛	5⅞	Silvrcst			11	5	5¼	5¼	5¼	
8⅞	3⅞	SmecoS	.25	5.1		2	4⅞	4⅞	4⅞	−⅛
21½	13⅞	SmthA	n .10e	.7	5	61	14¼	14½	14½	−¼
20¼	13⅛	SmthB	n .10e	.7	5	45	14	13¾	14	−⅛
16¼	13½	Snyder	2	13	14	46	15⅞	15¼	15¼	+¼
12⅛	5⅞	Solitron			23	34	6⅞	6¾	6¾	
9½	7⅞	SCEd	pf1.02	13		3	7⅞	7⅞	7⅞	+⅛
9⅞	7⅞	SCEd	pf1.06	13		10	8	8	8	+⅛
10	8⅞	SCEd	pf1.08	13		13	8⅞	8⅞	8⅞	−⅛
13⅛	10⅞	SCEd	pf1.45	13		3	11	10⅞	10⅞	−⅛
32½	27	SCEd	pf1.30	4.5		1	28⅞	28⅞	28⅞	
21⅛	17¼	SCEd	pf2.30	13		11	17⅞	17½	17½	−⅛
20¼	16½	SCEd	pf2.21	13		132	16½	d16⅞	16⅞	−⅛
82⅛	66	SCEd	pf8.96	14		7	65½	d65	65	−2
16½	11	Sprkmn			10	90	12½	11½	12⅛	+⅜
28¼	15½	Spctro	.8	1.4	7	11	20	19⅞	19⅞	+¼
6⅛	3⅛	SpedOP			43	8	3⅞	3⅞	3⅞	
15	9½	Spencer	.24	1.9	13	57	12⅛	12⅛	12⅛	
11⅝	6¼	StHav	n .08	1.2	47	15	7	6⅞	6⅞	−½
26⅞	14⅞	StPrd	s .80	5.0	5	69	15⅞	15¼	15⅞	+⅛
69	44½	StdShr	2.79t	4.6	7	5	60⅞	60¼	60¼	−½
13½	9⅞	Stanwd			11	3	9½	9⅛	9½	−⅛
17½	7⅞	StarrH			13	5	12⅛	12⅛	12⅛	+⅛
13	9	Statex				23	11⅛	11	11⅛	
5¼	2½	SterlEl			28	52	3⅞	3¼	3⅞	+⅛
9⅞	4⅞	StrlExt			8	28	8⅛	8¼	8¼	−⅛
32⅞	6⅞	SterlSft			23	22	7⅞	7¼	7⅞	+¼
19¼	15⅛	StorEq	1.68	11.	13	10	15⅞	15⅞	15⅞	−⅛
7⅛	3	StruW				7	3¼	3¼	3¼	−⅛
11⅞	6⅞	SumtE			17	2	7¼	7¼	7¼	
17⅞	13⅛	SumtE	pf1.80	12.		2	14½	14½	14½	−⅛
14⅞	5⅞	Suner	.24	3.4	12	42	7⅛	7	7⅛	+⅛
10⅞	5⅞	Sundnc			254	173	7⅞	7½	7⅞	−⅛
18	11⅞	SunJr	.48	3.2	14	10	15	15	15	
31½	17	SupFd	s .40b	2.4	8	5	17	d16⅞	17	−⅛
7⅞	2⅞	SupCre				197	2⅛	d2	2⅛	−⅛
17¼	10	SupInd	1.51	14	6	56	10⅞	10⅞	10½	−¼
14⅞	10⅛	SuprSr	.32	2.8	9	20	11⅞	11½	11⅞	−⅛
8½	3⅛	Susquh			18	202	4⅞	4½	4⅞	+⅛
36⅞	19½	Swftin	1.20	5.2	6	27	23	22⅞	23	+⅝
9⅞	6⅛	Synaloy	.36t	4.9		40	7⅛	7⅛	7⅛	+⅛
13⅛	9⅞	SystEn	.10	.9	28	20	11⅞	11⅛	11⅛	−⅛
T—T—T										
17¼	8	TBar	.51t	5.8	26	25	8¾	8½	8¾	+⅛
11¼	5⅝	TEC			35	12	10½	10⅞	10⅞	−⅛
40⅛	11⅛	TIE	s		10	1044	12⅛	11⅞	12	−⅛
24	11½	TII	2t	17	12	58	11⅞	11⅛	11⅞	−⅛
19⅞	13	TabPd	s .20	1.3	12	15	15	14⅞	14⅞	+⅛
15⅛	10½	Tasty	.40	3.2	13	5	12⅞	12⅞	12⅞	
8	4⅞	Team	n			1	5⅞	5⅞	5⅞	−⅛
9⅞	3⅞	TchAm			36	41	3⅞	3⅞	3⅞	−⅛
27½	13⅛	TchSym			12	205	13⅞	d13¼	13¼	−⅛
45¼	29⅞	TechOp			13	2	37⅞	37⅛	37⅛	−⅛
13⅛	5½	TechTp			7	154	6⅛	5⅞	5⅞	+⅛
28¼	3⅞	Techam			14	348	4	3⅞	3⅞	−⅛
18¼	7¼	Techof	s .24	2.4	7	18	10⅛	9⅞	10	−⅛
4½	2⅞	Tchnd	n			5	3	2⅞	2⅞	
104	61	TejonR	.20e	.2	71	z750	83	80⅞	83	+½
31	4½	Telecon			8	178	4½	d4¼	4⅛	−½
39	24¼	Teflex	.40	1.7	13	64	24½	d24	24	−½
14⅞	9¼	TelDta	.32s	3.3	11	2	9¾	9¾	9¾	+⅛
21⅛	12⅛	Telscl				53	14¼	13⅞	13⅞	−⅞
24⅛	3⅛	Telsph	n			251	4⅞	4	4⅞	−⅛
8	3½	Tennoy	s		17	33	4⅞	4	4⅞	
14½	7⅞	Tensor				8	8⅞	8¼	8⅞	−⅛
12⅞	4¼	TexAir			2	147	5	5⅞	5⅞	
8⅞	5⅛	TexAE			17	70	7⅞	7⅞	7⅞	+⅛
27½	10¼	Texscan			13	33	12⅞	11⅞	12⅞	+⅞
3½	2⅞	ThorEn				4	3¼	3⅛	3⅛	+⅛
11⅞	6½	ThDB	s .06	.9	11	15	6⅞	6⅞	6⅞	−⅛
9⅞	5⅞	ThDA	n .10	1.5	11	17	6⅞	6⅞	6⅞	−⅛
58⅞	42⅝	Thrftm	1.60	2.8	31	19	56½	55⅞	56½	+1
20⅞	5⅞	Tidwell			50	14	5⅞	5½	5⅞	
62	42	TolEd	pf7.76	17		z200	45	45	45	
79	56	TolEd	pf10	17.		z100	58⅞	58¼	58⅞	+¼
12⅞	4⅞	Toriel			18	25	6⅛	6	6¼	+¼
14⅞	8⅞	TotlPt	g .24			x76	10⅞	10¼	10⅞	+⅛
4⅞	1½	TotlPt	wt			6	1⅞	d1⅞	1⅞	−⅛
29	23	TotlPt	pf2.88	13.		x3	23	d22⅞	23	+⅛
6	1⅞	Towner	.01	.4		59	2⅞	2⅛	2¼	+⅛
3⅛	7-16	Town	wt			5	⅝	⅝	⅝	
19¼	10⅛	TmeLx	10	9	8	13	10⅛	10⅛	10⅛	−⅛
5¼	1	TranEn				427	1⅛	1	1⅛	+⅛
25⅞	13½	TmsTec	.56	3.8	9	34	15	14⅞	14⅞	+⅛
22⅞	13⅞	Tranzon	.36	2.6	8	6	13⅞	13⅞	13⅞	
16⅞	6⅞	TriSM	.30e	3.1	7	5	9⅞	9⅞	9⅞	
9¼	7⅛	TrioCp	.60t	8.1		2	8½	8½	8½	
7½	5⅞	TriHm	n		8	3	5⅞	5¼	5⅞	+¼
7	1-16	3½ TubMx	s		16	39	3⅞	3⅞	3⅞	
30½	11	Tultex	s .44	3.6	10	19	12⅛	12¼	12⅛	+⅛
24⅞	17¼	TurnC	s1.10	5.2	7	15	21⅞	20¼	21⅛	+¼
8	4¼	Tyler	wt			15	4½	4⅛	4½	+⅛
U—U—U										
7	3⅞	USR	Ind		19	5	5	4⅞	5	+¼
24⅛	14½	Ultmte	s		16	146	16⅞	16⅛	16½	−⅞
7⅞	½	Unicorp				847	⅝	9-16	9-16	
8⅞	6⅞	Unimx	pf			1	7	7	7	−⅛
24⅞	14⅛	UAirPd	.54b	3.8	9	2	14⅞	14⅞	14⅞	
36⅞	34⅞	UnCosF	1b	2.8	9	1	35⅞	35⅞	35⅞	+⅛
4⅞	2⅞	UFoodA	.10	3.6	17	38	2⅞	2⅞	2⅞	−⅛
5⅛	2⅞	UFoodB			17	30	2⅞	2⅞	2⅞	
22⅛	11⅞	UtMed	.65t	5.5	15	3	11⅞	11⅞	11⅞	
25	13⅞	USAG	wt			12	13⅞	13½	13⅞	−⅞
6⅞	5⅛	UStck	n			52	u7⅞	6⅞	7⅞	+1⅛
11⅞	6⅞	UnitelV	.94t	13.	11	13	7½	7¼	7⅞	
19½	7⅞	UnvCm			15	37	8⅞	8½	8⅞	+¼
9⅞	6⅞	UnvRs				57	8⅞	8⅞	8⅞	−½
27½	15	UnivRu	.80e	4.2	8	5	19¼	19¼	19¼	
24⅞	9½	UnvPat			79	18	11⅞	11⅛	11⅞	+⅛
V—V—V										
16½	13⅞	ValyR	1.60	9.9	6	1	16⅞	16⅞	16⅞	
21⅞	15⅞	Valspr	s .40	2.4	9	4	16⅞	16⅞	16½	−½
25½	8½	Vrbtm	s		18	330	11	10½	10⅞	−⅛
7	3¼	Verit			10	15	4⅞	4⅜	4⅜	−¼
21⅞	17⅞	VtAmC	.40b	2.3	10	4	17⅞	17⅞	17⅞	
20⅞	5½	VtRsh				10	6½	6⅞	6⅞	−⅛
18⅞	13	Verna	.16	1.2	12	46	13⅞	d12⅞	13⅛	
9⅞	4½	Verplo	.10	1.5	15	3	6⅞	6⅞	6⅞	+¼
9	4⅞	Viatech				40	6⅞	5⅞	6⅞	+¼
12⅞	7¼	Vicon	s		12	20	7⅞	7⅞	7¼	−¼
15⅛	4⅞	Vintge			9	9	4⅛	4⅛	4⅛	
14	10¼	Virco	.04r	.3	6	8	11⅞	11⅞	11⅞	−¼
54	37½	Vaind	n			15	53½	53	53⅞	−½
11⅛	6¼	VisualG	.28	4.1		3	6⅞	6⅞	6⅞	
8	5⅞	VolMer			11	9	6⅞	6⅞	6⅞	+¼
19½	9½	Voplex	s .32	3.0	11	15	10⅞	10⅞	10⅞	+¼
17⅞	12⅞	VulcCp	.40	2.9	7	18	14	13⅞	13⅞	−⅛
W—W—W										
9⅞	5⅞	WTC				11	7⅞	7⅞	7⅞	−⅛
25⅞	17⅞	Waltr	s .32	1.8	12	28	18⅛	18	18	−⅛
17⅞	10⅞	Walco	.40	3.1		23	13	12½	13	
42½	33⅞	WangB	.12	.5	18	1211	25⅞	25¼	25⅛	−⅛
42⅞	23⅞	WangC	.07	.3	18	2	25½	25½	25½	+1
17⅞	8⅞	Wards	s .08	.4	13	182	15¼	15⅛	15⅛	+⅛
11	1½	WmC	wt			52	2⅛	2½	2⅛	+¼
14	5⅞	WshHm			3	7	6	5⅞	5⅞	−⅛
77	60⅞	WshPst	.80	1.1	15	46	73⅞	73⅞	73⅞	−⅛
21⅛	15⅛	WRIT	1.40	7.6	6	9	18⅛	18	18⅛	+¼
16½	11⅞	Watsco	.30	2.0	13	10	15⅛	15⅛	15⅛	−⅛
11⅞	6⅞	Wthfrd				17	6⅞	6⅞	6⅞	+⅛
27	23½	Wthfd	pf2.53	11		1	24	24	24	
22¼	3⅞	Webcr	s		6	123	4⅛	3⅞	4	
7½	3½	Wesmn	.08	1.6	22	1	4⅞	4⅞	4⅞	
16⅞	11⅞	WeldT	s .10	.8	24	1	12½	12½	12½	
13½	7	Weldtrn			8	1	7⅞	7⅞	7⅞	
10⅛	4⅞	Wellco				25	5⅞	5¼	5⅞	+⅛
9⅞	4	WelGrd				110	4	4	4	−⅛
20	15¼	Wesco	.58	3.2	14	12	18½	18¼	18⅜	−¼
13⅛	3½	Wespcp				25	3⅞	3⅞	3⅞	+¼
39⅛	34⅛	WTex	pf4.40	13		x30	35	34⅞	34⅞	−½
14⅛	8¼	WstBrC	s		9	15	8⅞	8⅞	8⅞	+⅛
16⅞	10⅛	Wstrnr	g .20		13	25	11⅞	11⅛	11⅞	
15	6¼	WDigtl			28	190	8⅞	8¼	8½	−⅛
23⅛	16	WstSL	s1.23e	7.5	2	22	17	16½	16½	−½
17½	7¼	WhEntr			12	88	13⅞	13½	13⅞	+⅜
7	3⅞	Wichita				44	4⅛	4⅛	4⅛	+⅛
10½	6⅞	WilcxG			15	54	7⅞	7½	7⅞	
4⅞	2⅞	WlshB				7	3	3	3	+⅛
15⅞	12⅛	Winkim	.50	3.8	12	1	13½	13⅛	13¼	−⅛
53⅞	22⅞	Winscp	pd 2.4	4	13	20	46⅛	45½	45½	−1
24⅛	19⅞	Wintin	n2.16	10.		1	21	21	21	+¼
41⅞	36½	WisP	pf4.50	13.		z290	36	d35¾	36	
6⅞	3¼	WolfHB			21	2	3¼	3¼	3¼	
9⅞	5⅛	WwdeE	.44t	8.2	41	156	5¼	5½	5¼	−¼
17¼	14⅞	WWde	pf1.80	11.		17	16½	16¼	16½	+¼
46	32⅛	Wrathr	.05	.1		39	36⅞	36¼	36½	−¼
8⅞	5	WrgtH	g		21	210	6½	6	6⅞	+⅛
X—Y—Z										
19⅞	11⅞	YankO	.5		8	117	12¾	11⅞	12	−⅛
5⅞	4⅛	Yrdny	n.03e	.6	16	23	4⅞	4⅛	4⅞	
24⅞	8⅛	Zimer	.10	1.1	15	57	9	8⅞	8⅞	−⅛

NEW YORK CLOSING PRICES

Continued from Page 23

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
30	22½	WayG	pf1.60	6.6		1	24¼	24¼	24¼	−⅛
10⅛	4⅞	WeanU				184	4⅞	d4	4¼	−⅛
25	14⅞	WebbD	.05e	.3	9	x36	16⅞	16⅛	16⅛	+⅛
40⅞	28	WeisMk	.64	2.0	12	17	31⅞	31¼	31⅞	−⅛
42⅞	32⅞	WellsF	2.16	6.2	6	232	35⅛	34	34⅞	+⅛
50½	45	WelF	pf4.96e	11.		532	47⅛	46	46	−1⅛
28⅞	23	WelFM	2.80	12.	7	90	23⅞	23	23⅞	+½
16½	10⅞	Wendy	s .24	1.6	14	1045	14⅞	14⅛	14⅛	−⅛
32⅞	21⅛	WestCo	.44	2.1	10	33	21⅞	d21	21⅛	−⅛
41	34	WPenP	pf4.50	13		z100	36	36	36	−½
54⅞	38	WstPtP	2.20	5.5	7	134	40½	40	40	−⅛
6½	2⅛	WnAirL				557	3⅛	2⅞	3	
18	10½	WAir	pf4.50k			34	10⅞	d10⅛	10½	
12⅛	11⅛	WAir	pf2.14	20.		11	11⅛	d10⅞	10⅞	−½
12	6⅞	WCNA				514	8⅞	8⅞	8⅞	−⅛
101	66⅞	WPacl			6	2	92¼	92⅛	92⅛	
47⅞	22⅛	WUnion	1.40	5.9		443	24¼	23⅞	23⅞	−⅛
110	55	WnUn	pf4.60	8.3		2	55⅞	55⅛	55½	−1½
10	8½	WUn	dpf1.18	14		88	8⅞	8½	8⅞	
15¼	14⅞	WUn	pf			12	15⅛	15	15⅛	+⅛
22⅛	18⅞	WUTl	pf2.56	13.		3	19⅞	19⅞	19⅞	
56⅞	39¾	WestgE	2	4.9	8	2058	41⅞	40⅞	40⅞	+⅛
28⅞	20	Westg	wi			11	20½	20⅛	20⅛	+⅛
42	29½	Westvc	1.30	3.7	10	158	32¼	31⅞	32⅛	+½
41⅞	25	Weyern	1.30	5.0	18	2290	26⅞	25⅞	26¼	+⅛
51⅛	35½	Weyr	pf2.80	7.8		19	36	35⅞	36	+⅛
57⅞	44⅞	Weyr	pr4.50	10		131	44½	d44⅞	44⅞	−⅛
35⅞	19⅞	WhelPtt				184	23	22⅞	23	+⅛
46	38⅞	WhPit	pf6	15.		z100	39⅞	39⅞	39½	−⅝
38	30⅞	WhPit	pf5	15		z50	34	34	34	
57	36⅞	Whirlpl	2	5.2	8	502	38⅞	37⅞	38⅛	+⅛
48⅞	27½	WhitC	1.50	5.5	8	85	27½	d27⅛	27⅞	−⅛
65⅞	19	Whitehl			7	81	22	21⅞	21⅞	−⅛
34⅞	17⅞	Whittak	1.60	8.3	5	587	19⅞	19⅞	19⅞	+⅛
11⅞	7⅞	Wickes			59	111	7⅞	7⅞	7⅞	−⅛
30⅞	22	Willams	1.20	4.7	8	323	25⅞	25⅛	25⅜	−½
17	3⅞	WilshrEl			17	82	3⅞	3⅞	3⅞	
10⅞	6⅞	WilshrO	.09t	1.1	20	80	8⅞	8⅞	[illegible]	
37⅞	26⅞	WinDx	s1.56	5.7	10	60	28	27⅛	27½	+½
23⅞	8⅞	Winnbg	.10e	1.1	11	301	9⅞	9	9	−⅛
12⅛	6⅞	WinterJ			18	3	7	7	7	+⅛
29½	22⅞	WiscEP	2.08	8.6	6	1393	26⅞	24⅞	26¼	+⅛
70⅞	62	WisE	pf7.75	12		z20	62⅞	62⅞	62⅞	
29⅞	23¾	WisG	pf2.55	11		6	23⅞	d23¼	23¼	−⅛
29⅞	23	WiscPL	2.48	[illegible]		40	26⅞	26⅞	26⅞	
30⅞	22⅞	WisPS	2.32	[illegible]		30	25⅞	25⅞	25⅞	−⅛
30⅞	28⅞	Witco	s1.32	4.2	8	61	31⅞	31⅞	31⅞	−⅛
24⅞	13⅞	Wolwth	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	−⅛
29⅞	21⅞	WoodPt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+⅛
39⅞	29⅞	Wolwth	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+⅛
7⅞	4	WorldAr				14	4⅛	4	4⅛	
57⅞	45	Wrigly	1.80	3.9	[illegible]	17	46⅞	46⅛	46⅞	+⅛
9⅞	5⅞	Wurltz				1	[illegible]	[illegible]	[illegible]	
25⅞	13⅞	WyleLb	.32	2.7	11	90	14⅞	[illegible]	[illegible]	−⅛
22⅞	16⅞	Wynns	.60	3.3	10	8	18⅞	18⅞	18⅞	−⅛
X—Y—Z										
52⅞	37	Xerox	3	7.8	[illegible]	4701	37⅞	[illegible]	37	+⅛
53	47	Xerox	pf5.45	11		41	48⅞	48⅛	48⅞	+⅛
37	21⅞	XTRA	.64	2.8	9	22	23⅞	21⅞	23⅞	+⅛
34	24	ZaleCp	1.32	5.3	8	11	25⅞	24⅞	25⅞	−⅛
34⅞	14⅞	Zapata	.84	3.8	13	416	22⅞	21⅞	22⅛	−⅛
47⅞	29⅞	Zayre	s.40	1.2	13	232	33⅞	33	33⅞	−⅛
39⅞	21⅞	ZenithE			13	1109	24⅞	23⅞	24⅞	
22⅞	14⅞	Zero	s .36	1.9	15	15	19⅞	18⅞	19⅞	+⅛
37⅞	21⅞	Zurnin	1.32	5.7	10	99	23⅞	23	23⅞	

هكذا اصدر الأصل

WORLD STOCK MARKETS

EUROPE

Becalmed in absence of a lead

MANY European centres found themselves becalmed yesterday in the absence of a lead either from London or Wall Street.

Frankfurt was further troubled by the continuing metalworkers' dispute which saw trade unionists demonstrating in Bonn in support of their demands for a 35-hour working week and unemployment compensation for workers locked out.

Shares ended mixed, though steady, after uneventful and trendless trading, and the Commerzbank index slipped 1.9 to 1,005.5 in a market dominated by professional traders.

Motor shares were mixed with Daimler-Benz managing a 20 pfg rise to DM 568, but BMW fell DM 2.40 to DM 382.10 and Volkswagen DM 1.80 to DM 189.70.

Wall Street was closed yesterday to mark Memorial Day while London was closed for the Spring Bank holiday.

Bonds held steady in listless trading and the Bundesbank sold a nominal DM 7.7m of paper to balance the market after Friday's purchases which totalled DM 3.4m.

A reluctance to adopt new positions left **Paris** mixed to slightly lower. The Stock Exchange Association was unable to provide an accurate trend indicator because of a computer failure.

One feature was, however, provided *by Creusot Loire, the engineering group* which has filed for protection from its creditors. It fell FFr 5.20 to FFr 25.

Brussels turned in a sluggish performance and the SE index fell 1.21 to 151.81.

In the retail sector, Delhaize was unchanged at BFr 4,830 as it reported that domestic sales rose 8 per cent in the first four months of 1984.

A reversal of last week's downward trend was seen in **Amsterdam** where the ANP-CBS index added 2.3 to 157.1.

Akzo led the gains, rising Fl 4.70 to Fl 89.30 while Hoogovens added Fl 2.60 to Fl 52.10.

Bonds were flat amid a total lack of trading interest.

Zurich also turned marginally higher after last week's declines. Crédit Suisse paced the banking sector with a SwFr 15 rise to SwFr 2,215 while Swiss Bank Corporation rose SwFr 5 to SwFr 340 and Union Bank SwFr 10 to SwFr 3,400.

Milan turned lower amid the deepening crisis in the Gulf.

A lower trend was also seen in **Stockholm** in thin trading.

HONG KONG

AN INCREASE in local interest rates was shrugged off in Hong Hong and the stock market rebounded, through in very thin trading.

The Hang Seng index rose 16.52 to 919.31, after Friday's 20.21 fall, in turnover that was down to HK$96.63 from the previous session's HK$264.7m.

Swire Pacific "A" added 40 cents to HK$15.80. The conglomerate forecast 1984 net profit up at least 14.9 per cent to HK$1bn in a document detailing its HK$1.24Bn cash and shares offer for the 27.5 per cent stake in Swire Properties that it does not already own.

SINGAPORE

EARLY strength, derived from the completion of the United Malays National Organisation party elections, was not sustained in Singapore.

A S$1.10 rise by Esso to S$15.60 was *largely responsible for a* 5.37 advance in the Straits Times industrial index to 956.12, but falling issues outpaced rises by nearly three to one in turnover that eased to 7m shares from Friday's 9.7m.

AUSTRALIA

HIGHER pre-weekend bullion prices gave gold shares a boost in Sydney, while mining and oil shares also moved ahead.

The All Ordinaries index reversed last week's slide, adding 3 to 678.0.

Gains were recorded among banks, which were hard hit last week in the fallout from nervousness over their U.S. counterparts.

SOUTH AFRICA

A CONTINUATION of Friday's sharp gains in gold shares was seen in Johannesburg in mainly local trading, due to the closure of the London and U.S. markets.

Randfontein added R5 to R195 while in other sectors, Anglo-American advanced 30 cents to R22.55, De Beers 8 cents to R9.30 and Impala Platinum 10 cents to R19.90.

Industrials, however, were quietly mixed.

CANADA

Gains among the oils, financial services and metals sectors led Toronto higher but trading volume was low, reflecting the market holidays in the U.S. and UK. Gold issues, which had provided much of the impetus for a market advance on Friday, eased slightly.

Montreal was also ahead with advances recorded by industrials, utilities and banks.

TOKYO

Sidelines provide safe haven

A WAIT-AND-SEE mood dominated the Tokyo stock market yesterday and prices took a moderate downswing in the thinnest trading seen this year, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei Dow market average fell 11.32 to 10,116.04. Volume shrank to 135.4m shares, compared with the year's previous low of 141.13m, recorded on February 20. Losses outnumbered gains 340 to 292, with 138 issues unchanged.

Investors held to the sidelines, wary of rumoured financial difficulties of major U.S. commercial banks and the tense Middle East situation. Margin debts running at record levels also dampened activity, as did the closure of the London and New York markets for public holidays. Investors were awaiting Tuesday's market moves in New York before taking new action.

On the trading floor, Aoki Construction topped Y1,000 at one point, however, boosted by investors' hopes for the company's gold development in Brazil, but closed the day at Y995, up Y15. Marubeni, a major trading house engaged in gold mine development in Alaska, rose Y3 to Y380.

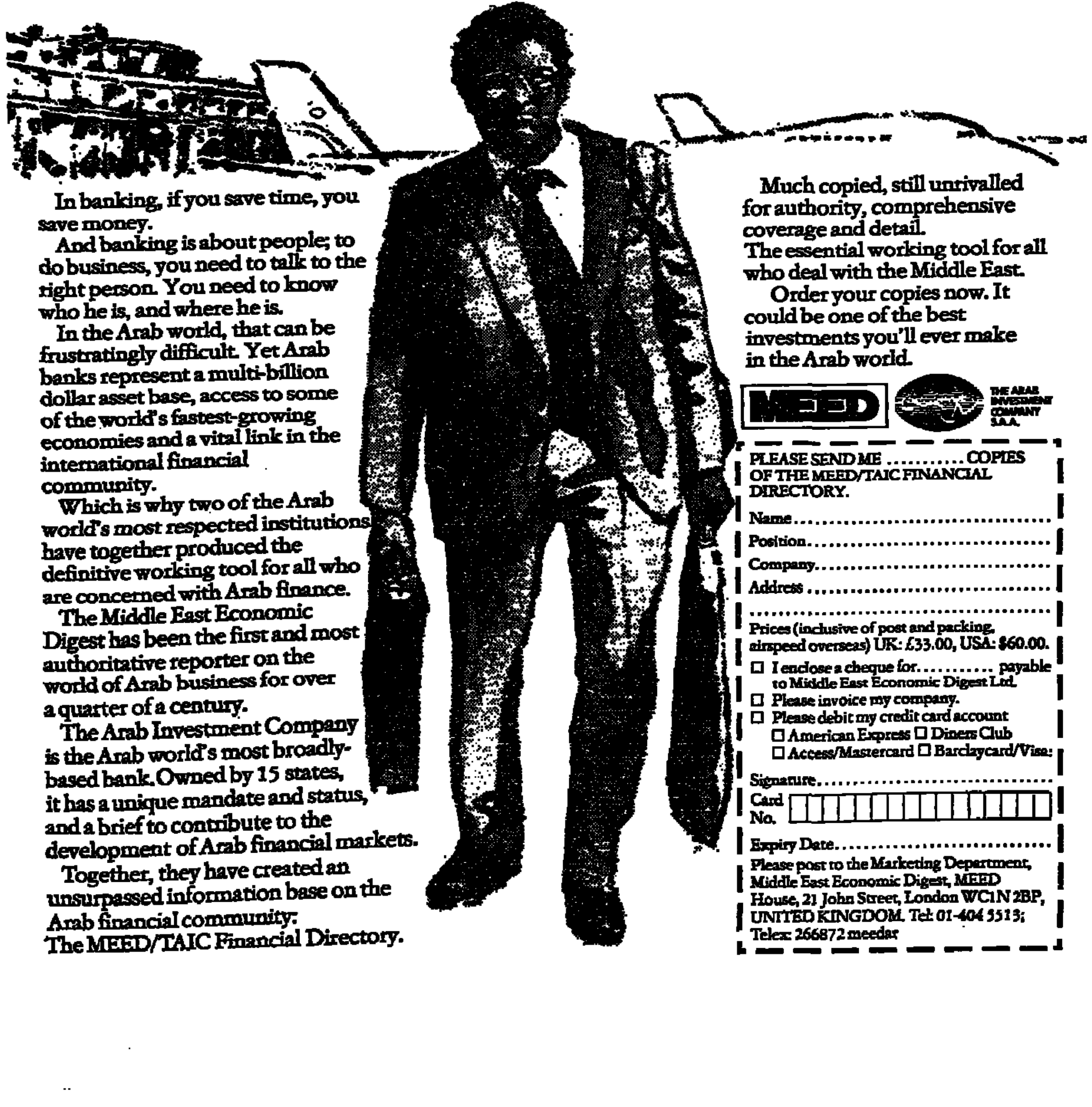
Blue chips made a steady start but later eased with Hitachi posting a small gain of Y2 to Y840. Matsushita Electric Industrial shed Y20 to Y1,730 and Kyocera Y100 to Y5,650. However, Canon advanced Y30 to Y1,210.

Dainippon Pharmaceutical, which *moved ex-rights,* finished at Y4,020, well above the theoretical price. Conversely, Mochida Pharmaceutical lost Y140 to Y5,260.

Pacific Metals was the most active stock with 6.37m shares changing hands, rising Y18 to Y235, on projections that a recovery in the market for stainless steel will mean an improved performance for the business year ending in November.

Banks came under small-lot selling pressure, with Sumitomo Bank dropping Y35 to Y965 – below Y1,000 for the first time in about 2½ months.

A hesitant mood was also dominant on the bond market with the yield on the benchmark 7.5 per cent government bond, maturing in January 1993, edging down slightly to 7.465 per cent, compared with Saturday's 7.500 per cent. But the yield on the 6.1 per cent government bond, with four to 4½ years remaining to maturity, rose to 7.450 per cent from 7.430 per cent.



Company Notices

JOINT ANNOUNCEMENT

TRANSVAAL CONSOLIDATED LAND AND EXPLORATION COMPANY, LIMITED

WITBANK COLLIERY, LIMITED

(Both companies incorporated in the Republic of South Africa)
Members of the Barlow Rand Group

FINANCING OF THE NEW KHUTALA AND MAJUBA COLLIERIES

In 1982, Transvaal Consolidated Land and Exploration Company, Limited ("TCL") was awarded contracts to supply coal, from resources owned by TCL, to two new power stations which will be constructed by the Electricity Supply Commission ("ESCOM") in the eastern Transvaal. Two collieries are being established for this purpose and are expected to operate for 40 years.

KHUTALA COLLIERY:

The first colliery, called Khutala, is situated on the Bombardie-Cologne coal field and will supply coal to the Kendal power station. Production of coal by the mine is scheduled to commence in 1987 and rise to approximately 12.2 million tons per annum in 1992. The property is partly underlain by the No. 5 seam. Coal from this seam has been excluded from the contract with Escom and will be exported in terms of a provisional allocation of 2.5 million tons per annum granted to TCL under phase IV-A of the Government export programme.

MAJUBA COLLIERY:

The second colliery, called Majuba, is situated near Amersfoort and will supply coal to the Majuba power station. Production is planned to commence in 1989 building up to 11.9 million tons per annum by 1994.

JOINT VENTURE ARRANGEMENTS

The directors of TCL and Witbank Colliery, Limited ("Witbank") have reached agreement, in principle, in regard to development and operation of the two mines by way of a joint venture. A wholly-owned subsidiary of TCL will have a 30 per cent participation in the joint venture, while the remaining 70 per cent will be taken up by a wholly-owned subsidiary of Witbank. TCL will assign the use of the Escom contracts, its export allocation and its coal rights to the joint venture.

FINANCIAL EFFECTS:

The total capital expenditure to be incurred on the development of the Khutala and Majuba collieries (including the mining of coal from the No. 5 seam for export), over a period of 15 years, is estimated at R1 175 million in current money terms.

Internal resources will fund the main portion of capital expenditure, the balance being provided by borrowings which have to a large extent been arranged.

In comparison with the position that would have prevailed if the joint venture arrangements had not been agreed upon, both TCL and Witbank will derive enhanced long-term benefits.

Minimal financial benefits will be derived by TCL and Witbank over the next two years from the development of the collieries but improved earnings per share should be obtained by both companies thereafter.

Johannesburg

May 28, 1984

NEDERLANDSE UNILEVER BEDRIJVEN B.V.
formerly VAN DEN BERGH'S EN JURGEN'S FABRIEKEN N.V.

5 5% Preference and Ordinary 'K' sub-shares issued by N.V. Nederlandsch Administratie- en Trustkantoor

Dividends for 1983 of 5 5% (Fl 0.66) and 13 6425% (Fl 0 409275) respectively will be paid on and after 15th May 1984. To obtain these dividends, certificates must be listed on forms obtainable from, lodged with for marking, and left for five clear days for examination by one of the following:

Midland Bank plc. Stock Exchange Services Department, Mariner House, Pepys Street London EC3N 4DA
Northern Bank Limited, 2 Waring Street, Belfast BT1 2EE
Allied Irish Banks Limited. Securities Department. Stock Exchange. Bank Centre, Ballsbridge, Dublin 4.
Clydesdale Bank PLC, 30 St. Vincent Place, Glasgow

from which banks fuller details of the dividend may be obtained on and after 29th May 1984.

N.V. NEDERLANDSCH
ADMINISTRATIE-
EN TRUSTKANTOOR

London Transfer Office,
Unilever House, Blackfriars,
London EC4P 4BQ.
25th May 1984.

US$100,000,000
Hydro Quebec
11½% Debentures due 15th June 1992

Debentures covering US$5,000,000 have been purchased on the market to satisfy the Purchase Fund due 15th June 1984.

BANQUE FRANCAISE
DU COMMERCE EXTERIEUR
Public Limited Company
Capital: FF 660.000.000
Registered Office:
21, boulevard Haussmann—75009 PARIS
R.C.S. PARIS B 552 067 936

10% DEBENTURES 1975-1985
FF 100,000
Alphanumerical Code: 809 901

Numerical list of the 166 debentures drawn at the 5th redemption drawing of 15th May 1984 and redeemable as from 16th June 1984 at the price of FF 100,000 per debenture:

270 to 435.

All previously drawn bonds were paid.

Contracts & Tenders

NOTICE

GUYANA SUGAR CORPORATION LIMITED

INVITATION TO TENDER FOR
FIELD AND FACTORY EQUIPMENT
AGRICULTURAL SECTOR LOAN
GUYANA SUGAR CORPORATION LIMITED

Tenders are hereby invited from suppliers for provision of field and factory equipment to be acquired under the referenced loan. The Inter-American Development Bank is partially funding a rehabilitation programme under Loan Contract 680/SF-GY through its Fund for Special Operations. Eligibility with respect to origin of goods and services will be determined pursuant to the rules applicable for the use of the fund.

Tenders will be invited for the following equipment which are divided into lots indicated in the contract documents:

FIELD EQUIPMENT
Lot A1 — Nine (9) Crawler Mounted Draglines
Lot A2 — Seven (7) Tractors (115-120 hp) with Creeper Gears
Lot A3 — Seven (7) Double Wheel Rotary Ditchers

FACTORY EQUIPMENT
Lot B1 — Three (3) Diesel Generating Sets
Lot B2 — Six (6) Front End Wheel Loaders
Lot B3 — Five (5) Non-Tipping Haulage Lorries

Specifications contained in the Tender Document permit offers of alternate equipment which have similar characteristics and provide equal performance and quality to those stated.

Tender Documents can be obtained at the Office of Guthrie Export Services Limited, 63-69 New Oxford Street, London WC1A 1DG or Guyana Sugar Corporation Limited, 22 Church Street, Georgetown on request and against a non-reimbursible payment of 100 Guyana dollars or equivalent in foreign exchange by crossed cheque in favour of The Guyana Sugar Corporation Limited.

Tenders shall be in English and delivered in plain sealed envelopes which in no way identifies the tenderer to the following address:

The Chairman
Central Tender Board Committee
Guysuco Rehabilitation Programme
Agriculture Sector Loan
c/o Ministry of Finance
Main and Urquhart Streets
Georgetown
Republic of Guyana
South America

Tenders close at 14.00 hours (2 pm) Guyana time on Wednesday, August 15, 1984. Tenderers or representatives may be present at the opening of the tenders.

E. S. O. Hanoman
Finance Controller
Guyana Sugar Corporation Limited
22 Church Street
Georgetown, Guyana
South America

Public Notices

POLDEN FARMS LIMITED
COMPANY NUMBER 356613

NOTICE IS HEREBY GIVEN pursuant to Section 56 of the Companies Act 1981 that: The above-named Company has approved a payment out of capital for the purpose of purchasing its own shares. The amount of the permissible capital payment for the shares in question is £356,293 and the Resolutions approving such payment out of capital were passed on 23 May 1984. The Statutory Declaration of the Directors and the Auditors Report required by Section 55 of the said Act are available for inspection at the Company's registered office at 40 High Street, Street, Somerset. Any Creditor of the Company may at any time within the five week period immediately following 23 May, 1984, apply to the Court under Section 57 of the said Act for an order prohibiting the payment.

By Order of the Board
RICHARD CLARK, Secretary

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U.S. Based Company with Sales organisations in England and Europe is seeking to buy a small manufacturing facility preferably with electro-mechanical assembly and sheet metal capabilities. Engineering design personnel a plus.

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BUILDING CONTRACTS

Sir Alfred McAlpine wins over £24m work

SIR ALFRED MCALPINE & SON has been awarded a £19.2m contract by the Property Services Agency for work at Kineton, near Leamington, Warwickshire. The contract entails construction of 85 partially buried reinforced concrete storehouses, 20 reinforced concrete storehouses for explosives, offices, and ancillary buildings, and demolition, external works and railways. The work, which will take about three years to complete, has started.

Sir Alfred McAlpine and Son has been awarded a £4.8m contract by East Sussex County Council for construction of the Uckfield By-pass. This involves construction of an 8-km by-pass and 1 km link road to the town centre, both 7.3 metres wide, of *flexible single carriageways*. It also entails construction of three reinforced concrete bridges (two over the by-pass and one over the River Uck), four reinforced concrete culverts and one reinforced concrete cattle creep. Work has already started and will take about two years.

Work on a college and the Birmingham Museum and Art Gallery, are together valued at £639,000. The company has a £600,000 contract from the Wyre Forest District Council to build 22 flats for the elderly in Stourport on Severn, Worcestershire. Work has begun, to be completed *early next year*.

Penrhyn Quarries, of Bethesda, North Wales (an Alfred McAlpine company) has won a $250,000 (£166,000) contract to supply 45,000 sq ft of "Burgundy" riven slate cladding to the Wateridge Park Development in San Diego, California. The order *also includes 4,000 sq ft of triangular* riven paving and a waterfall feature formed from 60 tonnes of slate blockstone.

Douglas to build £5m supermarket

R. M. DOUGLAS CONSTRUCTION has been awarded four contracts in Wales worth over £10m in total. Largest—over £5m—is for a supermarket and home improvement centre of over 8,000 sq metres for J. Sainsbury at Quay Parade, Swansea. The project, with adjoining car parking facilities for 520 cars, has a sales space of 2,500 sq metres. The Welsh Health Technical Services Organisation has *awarded two hospital contracts.* The first is the £2.5m adaptation and refurbishment of the existing top block, pharmacy and St Paul's Ward with new extensions and *link blocks* at St. Tydfil's Hospital, Merthyr Tydfil. Work also includes drainage and external works. The second contract where Douglas already have work valued at £15m is at the Morriston Hospital. A new £1.9m geriatrics block, incorporating a two-storey cruciform shaped building measuring 50 x 50 metres is to be constructed with porte cochere across the access road. The design *is in the form of* a two-storey unit linking with the existing main unit and terminating with a staircase serving four levels. The Welsh Development Agency has awarded a further factory extension for AB Electronic Products Group at Rogerstone—3,100 square metres—with an office block of 580 metres. Value over £1m.

★

TURRIFF CONSTRUCTION has won two contracts. The first, worth £250,000, has been awarded by the City of Birmingham and is for preliminary works for Kings Heath Leisure Centre at Alcester Road, Birmingham. The second, worth £427,000, has been awarded by the Home Office for work at HM Prison, Aylesbury.

★

WALTER LAWRENCE (CITY) has started repair, cleaning and redecoration of the external walls and surface pipework of the East Wing of St Bartholomew's Hospital, West Smithfield, EC1, for the City and Hackney Health Authority at a cost of about £193,000. First aid repairs *of roof coverings, skylights* and gutters are also being carried out. Completion date is the end of October.

Contracts totalling £6.6m have been won by **THORN EMI *BUILDING SERVICES.*** *Largest* single order—for £2m—is for the first phase refurbishment of the air conditioning installation at the Oxford Street, London, store of Selfridges. Other contracts include John Lewis Partnership store at Reading, phase III refurbishment of air conditioning, plumbing and sprinklers, worth £1.5m, and Land Securities office redevelopment, mechanical and electrical services, at £900,000.

★

BALFOUR BEATTY CONSTRUCTION has started site preparation works for the new £5.73m Lochgelly High School. Designed to accommodate 1,230 pupils, the school will replace the junior high schools of Ballingry and Auchterderran and allow the closure of the substandard junior building at *Beath High School.*

Balfour Beatty has three other contracts. The first, valued at £1.15m, has been awarded by London & Clydeside Properties. The 11-month contract is for the construction of a 2,980 sq metres supermarket complex at Bridgeton Cross, Glasgow, comprising offices, shops and bank premises, with 3,300 sq metres of car parking. Garying has awarded a £1.3m contract for construction of a two-storey office block in Beveridge Square, Livingston, for completion in January 1985. The building will have an overall floor area of 2,700 sq metres. A third contract has been placed by Perimax Meat Co and is valued at £600,000, for construction of a meat processing factory and associated offices at Arbroath.

★

A £4m contract for extensions to Manchester International Airport's international departure lounge has been awarded to the management contracting division of **A. MONK & COMPANY** by *Manchester International Airport Authority.* The work involves expansion of the departure lounge and duty free areas, provision of a bussing facility, with bus lounge, and construction of a ground control tower. A special tower crane from France—the first of its type to be used in the UK—will be used on the project, allowing the airport to maintain existing services during construction through the peak travel season

★

Contracts worth over £2m have been won by **TILBURY CONSTRUCTION.** Largest is for construction of the Camels Head car park at Devonport Dockyard. It is worth £850,000 and includes a police post and muster station.

★

Under a contract from Sheffield City worth over £750,000 **FAIRCLOUGH BUILDING** is to carry out repairs and improvement to 108 terraced homes in the Stubbin district of Sheffield. Completion is for March 1985.

★

£6m Malawi road for Kier International

KIER INTERNATIONAL, a member of the French Kier Group, has a contract worth £6.4m for construction of the Luwawa turnoff to Champhoyo Road in the northern region of Malawi for the Ministry of Works and Supplies. The 18 months project comprises 57km of bituminous surfaced road on a crushed rock base and runs *through hilly, forested terrain.* There will be a bridge of 22 metres span and a number of culverts.

APPOINTMENTS

New chairman and board changes at ELF UK

At ELF UK **Mr David Dixon,** who has been a director of various group companies since 1974, has been appointed director and chairman. The following join the board: **Mr Philippe Armand,** operations manager, UK; **Mr Michel Eyssautier,** exploration manager, UK; **M Claude Fabre,** directeur délégue a *l'Exploration* et *au domaine* minier, Paris; **M Pierre Grancher,** directeur développements et Travaux, Paris; **Mr Terence Heneaghan,** company development manager, UK; **Mr Keith Jameson,** corporate affairs manager, UK; **M Yves Lesage,** directeur Europe, Paris; **Mr Andrew Wilson,** finance manager, UK; **M Arnaud Rousseau,** ELF Group chief executive in the UK remains managing director of ELF UK.

★

SECURICOR GROUP has formed a new holding company, Securicor Motor Holdings, incorporating the motor division subsidiaries: Chiswick Garage; Chiswick Garage Contract Hire; R. J. Bown; Treforest Motors; Bedwas Bodyworks. **Mr E. A. Hollis,** deputy chairman of Securicor Group will head the new company as chairman and **Mr R. Smith,** transport director, Securicor, is appointed managing *director. Other directors are:* **Mr D. Pinder-White,** managing director, Chiswick Garage; **Mr C. Shephard,** managing director, R. J. Bown and Treforest Motors; **Mr J. Greenhalgh,** managing director, Bedwas Bodywork; and **Mr D. O. Blanks,** company secretary, Securicor Group.

★

New chairman of the COAL INDUSTRY SOCIETY for 1984-1985 is **Mr D. J. Loveridge,** Stephenson Clarke Industrial Fuels. Vice-chairman is **Mr A. D. J. Horsler,** National Coal Board; hon secretary is **Mr S. E. Brewis,** Brewis Bros.; and hon treasurer is **Mr W. A. Dunn,** National Fuel Distributors.

★

Mr John Bradbury has been appointed a director of BEMROSE CORPORATION.

★

Mr Edward Powley is joining GEBRUEDER HESSELBERGER, hop merchants, on June 1 as an *executive director with special* responsibilities for finance and administration. He is finance director of Kelsey Industries.

★

MASSTOR SYSTEMS INTERNATIONAL has appointed **Mr Nino Celone** as vice-president of customer support for Europe. He was director of support and product development for Olivetti Computers.

★

Mr William Willson has been elected chairman of the BIRMINGHAM AND BRIDGWATER BUILDING SOCIETY. He is chairman of Company Developments. **Mr Alick Bowmer,** retiring chairman, will continue as a director of Birmingham and Bridgwater.

★

Mr H. A. Dodsworth, commercial director, GEC Energy Systems has been elected chairman of the POWER GENERATION ASSOCIATION for the *next two years.*

★

LONDON & CONTINENTAL BANKERS has appointed as associate directors **Mr Michael J. Brooks, Mr Oliver Barstow** and **Mr W. R. A. Pamment.**

★

Mr D. M. Sandy Sanders has been appointed a director of CITY AND METROPOLITAN BUILDING SOCIETY. He is chairman of Boston Investment Group.

★

Mr Brian Bodel has been appointed manager of the City Trust branch of LLOYDS BANK. He was previously deputy manager at the Bank's West End Trust branch.

★

Mr Hallam Carter-Pegg who has been a director for the past 14 years has been elected chairman of the PECKHAM BUILDING SOCIETY in succession to **Mr L. J. Robinson.** Mr Carter-*Pegg is senior partner of Pegg* Robertson and Co.

★

From June 1, **Mr Brian F. Smith** is to become deputy managing director, and **Mr Michael Cutler** group purchasing manager of ASTBURY & MADELEY (Holdings). **Mr Roger P. Hurrell** and **Mr Michael H. Killeen** have been appointed associate directors of subsidiary Astbury & Madeley. A new subsidiary, Astbury & Madeley (Tool Hire) is being established, and the resident director will be **Mr Christopher R. Wadsworth.**

OVER-THE-COUNTER

Nasdaq national market, closing prices May 25

Continued from Page 24

EUROPEAN OPTIONS EXCHANGE

Series		Aug. Vol.	Aug. Last	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	Stock
GOLD C	$375	83	26	9	38	—	—	$388.00
GOLD C	$400	109	10	148	22	27	28	"
GOLD C	$425	381	5	362	10	—	—	"
GOLD P	$375	18	3.50	16	5	4	7	"
GOLD P	$400	28	17.50	—	—	—	—	"
		June		Sept.		Dec.		
SILVER C	$8	1	1.35	—	—	—	—	$9.30
SILVER C	$9	67	0.45	4	0.90	—	—	"
SILVER C	$10	143	0.16	32	0.31	—	—	"
SILVER C	$11	—	—	23	0.20	—	—	"
SILVER P	$9	—	—	4	0.45 B	—	—	"
SILVER P	$10	1	1	—	—	—	—	"
S/FL C	$290	—	—	—	—	1	17.50 B	$307.85
S/FL C	$300	—	—	10	8.50	—	—	"
S/FL C	$305	6	3.50	4	6.30	—	—	"
S/FL C	$310	43	1.70	—	—	—	—	"
S/FL C	$315	3	0.60	—	—	—	—	"
S/FL C	$320	23	0.30	—	—	—	—	"
S/FL P	$285	7	0.20	615	1.80	2	4.80	"
S/FL P	$290	135	0.30	10	3	—	—	"
S/FL P	$300	—	—	54	6.30 A	—	—	"
S/FL P	$305	24	2.70	10	9.20	—	—	"
S/FL P	$310	10	5	16	12	—	—	"
S/FL P	$315	11	9	—	—	—	—	"
		July		Oct.		Jan.		
ABN C	F.340	56	9.50 A	11	18	—	—	F.338
ABN P	F.340	41	8	18	18.50	5	18.50	"
AH C	F.200	19	1.60	16	3.20	5	4.50	F.177
AH P	F.180	20	5.30	18	7.80	2	9	"
AKZO C	F.90	964	4.80	392	9	130	11.50	F.89.30
AKZO C	F.100	639	1.90	917	5	344	7.60	"
AKZO C	F.110	1177	0.90	156	3.10	—	—	"
AKZO P	F.90	600	4	171	5.50	306	7.10	"
AMRO C	F.60	170	3	129	5.20	27	6 B	F.60.50
AMRO P	F.60	81	2.50 A	51	3.50 A	17	4.50	"
GIST C	F.150	61	1.70 A	3	3.40	12	6.50	F.133.30
GIST P	F.130	64	1.80	10	4	5	4.80	"
HEIN C	F.140	116	1.70	45	4.70	11	5	F.127
HEIN P	F.120	295	3.30	20	4.60 A	7	6	"
HOOG C	F.53.20	88	2.30	53	4.50	—	—	F.52
HOOG P	F.53.20	80	2.80	20	3.50	—	—	"
KLM C	F.170	127	3	24	7.50	9	12.50	F.155
KLM P	F.150	101	4.20	—	—	—	—	"
NEDL C	F.120	12	2.80	1	6.50	—	—	F.115
NEDL P	F.120	13	5	10	7.20	—	—	"
NATN C	F.220	2	7.50	30	12.10	—	—	F.222.30
NATN P	F.210	12	3.50	45	6.10	—	—	"
PEO C	Fr6818	6	520	5	750	—	—	Fr.7150
PEO P	Fr.6364	—	—	5	190	—	—	"
PETR C	Fr.7500	—	—	37	340	27	520	"
PE.R P	Fr.7600	—	—	—	—	11	830	"
PHIL C	F.50	281	0.70	220	1.80	546	3	F.44.80
PHIL P	F.45	377	1.60	68	2.60	131	3.40	"
PHO C	F.45.50	287	1.90 A	119	3.60	—	—	"
PHO P	F.40.80	79	0.70	107	1.30	—	—	"
RD C	F.160	643	5.30	218	9.30	27	12.50	F.157.30
RD C	F.170	277	1.50	542	4.30	30	7.80	"
RD P	F.160	298	5.20	328	8.80	8	9.60 B	"
UNIL C	F.240	23	6.50	48	11.60	10	15.10	F.237.90
UNIL P	F.240	57	6	5	8	—	—	"

TOTAL VOLUME IN CONTRACTS 22,463

A=Ask B=Bid C=Call P=Put

Whatman Reeve Angel plc

Tender offer by the Company to purchase 80,000 of its Ordinary shares at a price between 650p and 800p per share

A tender offer enabling shareholders to tender their shares either directly to the Company ("off-market") or through The Stock Exchange ("on-market") will open today, Tuesday, 29th May, 1984 and close at 3.30 p.m. on Tuesday, 12th June, 1984. The terms of the tender offer and the action that shareholders should take if they wish to tender some or all of their shares are set out below.

Terms of the tender offer

(i) Shareholders are invited to tender Ordinary shares at a price within the range of a minimum of 650p per share and a maximum of 800p per share inclusive.

(ii) The maximum number of shares for which the Company will accept tenders is 80,000. Shareholders may tender all or some of their shares, but if more than 80,000 shares are tendered, tenders may be scaled down, balloted or rejected as explained in paragraph (iv) below.

(iii) If tenders representing less than 1 per cent. of the voting rights attached to the Company's Ordinary shares (being 43,453 Ordinary shares) are received the tender offer will be void.

(iv) If the number of shares tendered for sale is more than 80,000, the striking price (being the price that the Company will pay) will be the lowest price at which the number of shares sought (i.e. 80,000) is met and all shareholders who tender at or below the striking price will receive the striking price (subject to the provisions of paragraphs (x) and (xi) below). If necessary, tenders made at the striking price will be scaled down pro rata or balloted. No tenders at above the striking price will be accepted.

(v) If the number of shares tendered for sale is at least 43,453 but less than 80,000, the striking price shall be the maximum price of 800p per share, which, subject to paragraphs (x) and (xi) below, tendering shareholders will receive.

(vi) All tenders lodged by shareholders or by their agents will be irrevocable.

(vii) It is open to shareholders to tender a proportion of their shares on-market and a proportion off-market.

(viii) The tender offer will open on 29th May, 1984, and will close at 3.30 p.m. on 12th June, 1984. The on-market tender will be conducted by The Stock Exchange and the off-market tender will be conducted by a representative of the Company. Upon closing, dealings in the Company's shares will be temporarily suspended, the results of both tenders will be amalgamated and a common striking price will be determined by The Stock Exchange and the representative of the Company by reference to both on- and off-market tenders. The decisions of The Stock Exchange and the Company's representative as to the striking price and as to which shares have been successfully tendered shall be conclusive and binding on all shareholders whether they have tendered on- or off-market.

(ix) At 9.30 a.m. on the first business day following the determination by The Stock Exchange and the representative of the Company as to which shares have been successfully tendered at or below the striking price, dealings in the Company's shares will resume and sales will be effected through The Stock Exchange of those shares which have been successfully tendered on-market. The terms of such on-market sales may in no circumstances be subsequently varied; nor will such sales or the settlement thereof be conditional on the approval of off-market purchase contracts.

(x) Sales resulting from successful on-market tenders will be for normal Stock Exchange Account Settlement on 25th June, 1984, being the settlement day for the Account ending on 15th June, 1984. Shareholders who have successfully tendered on-market will therefore receive their proceeds of sale (less normal dealing expenses) through their stockbroker or other agent in the usual way once they have completed the normal formalities and provided a valid share certificate. The normal Stock Exchange rules for Account Settlement will apply and buying-in may therefore take place in the event of late delivery of shares.

(xi) Successful off-market tenders will be subject to specific approval by shareholders in Extraordinary General Meeting to be held on 16th July, 1984. Upon such approval being obtained the proceeds of sale will be paid on 18th July, 1984 to those shareholders who have successfully tendered off-market and provided a valid share certificate.

Taxation

The taxation consequences for shareholders depend upon the method which they employ to tender their shares as well as on their own circumstances. Your attention is drawn to the section headed "Taxation" in the circular dated 2nd May, 1984. **All shareholders are strongly recommended to consult their professional advisers before tendering their shares.**

Alternative methods of tendering

On-market tenders

Shareholders who wish to tender all or part of their shares through The Stock Exchange should instruct their stockbroker, bank manager or other professional adviser accordingly, indicating the number of shares to be tendered and the price or prices at which such shares should be tendered. Sales resulting from successful tenders of shares on-market will be subject to normal Stock Exchange sale commissions, expenses and procedures for settlement.

Off-market tenders

A form of tender for those shareholders who wish to tender all or part of their shares off-market is available from the Company's Registrars, Ravensbourne Registration Services Ltd., 145 Leadenhall Street, London EC3 4QT; it contains instructions for lodgement which should be read carefully.

If shares are successfully tendered off-market, the purchase of those shares will be subject to approval by shareholders and a further circular will be despatched on 22nd June, 1984 convening an Extraordinary General Meeting for this purpose.

Recent share prices

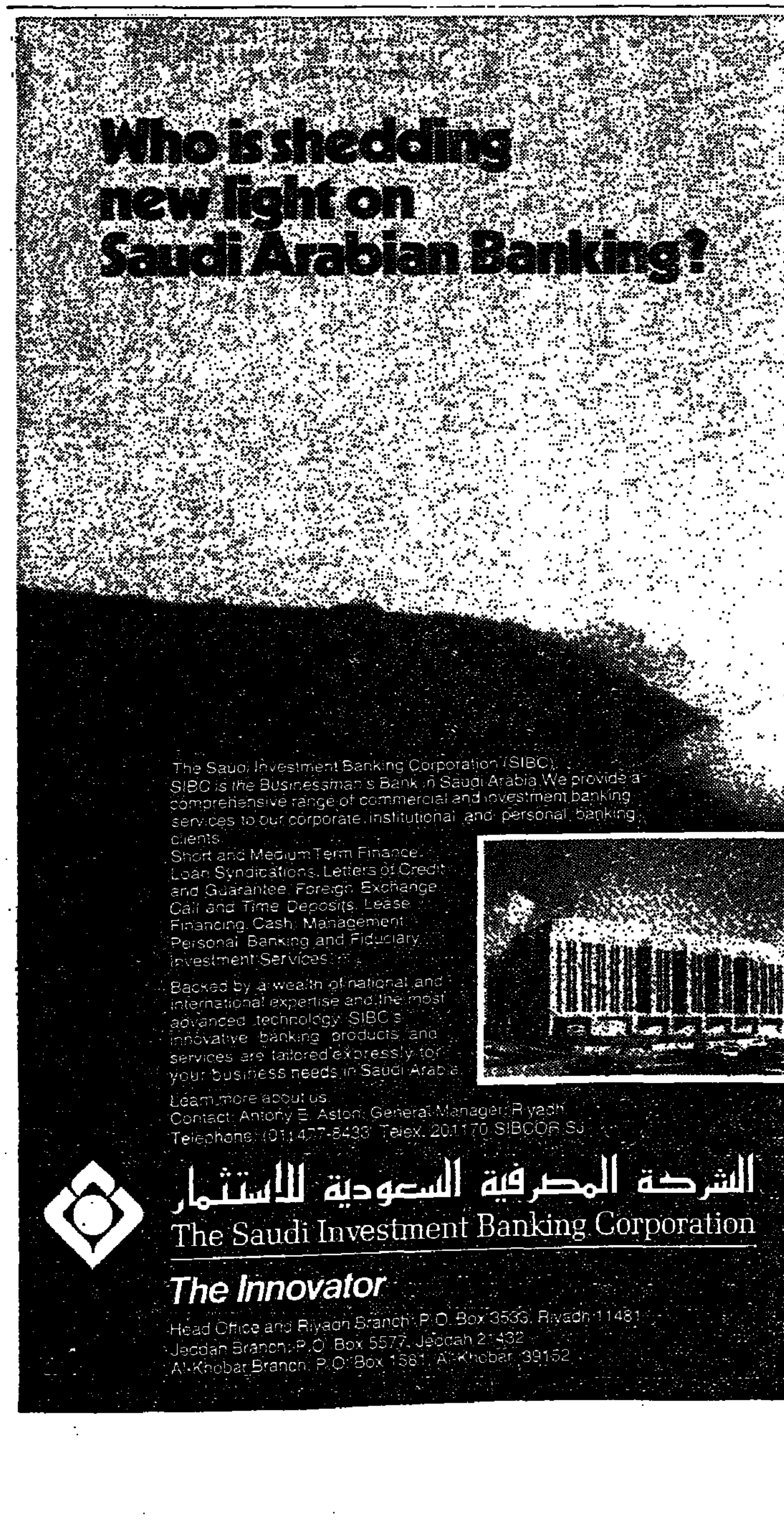
The middle market quotations of the Company shares on the dates stated, derived from The Stock Exchange Daily Official List, were as follows:—

3rd January, 1984	605p
1st February, 1984	640p
1st March, 1984	650p
2nd April, 1984	650p
1st May, 1984	710p
3rd May, 1984*	715pxd

*The latest practicable date before the printing of this notice.

Closing date

The tender offer will close at 3.30 p.m. on Tuesday, 12th June, 1984. An announcement of the result of the tender offer will be made by 9.30 a.m. on Wednesday, 13th June, 1984.



AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

INSURANCES

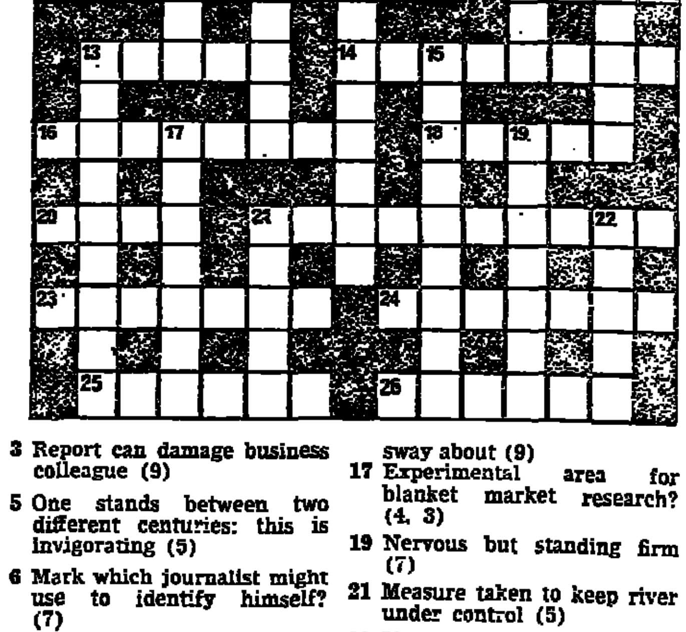
Insurances—continued

Offshore & Overseas—continued

Money Market Trust Funds

Money Market Bank Accounts

F.T. CROSSWORD PUZZLE No. 5,427



ACROSS

1 Put the case for proportional representation to everyone individually (6)
4 Peels off in layers (6)
8 Instruments used for burst in appendix (7)
9 The rest rushed outside and were shot (7)
11 Comrade is disturbed by nervous reaction from American party (10)
12 Making one's fortune on Stock Exchange requires a lot of time (4)
13 Lacking the experience for this part of the course (5)
14 Wearing only waistcoat or even losing shirt if unwise (8)
16 Changing to cerise will make it exclusive (8)
18 Deposit caused by carbon deterioration (5)
20 Principal reason for smell on ship (4)
21 High morale is breaking down (10)
23 It's eccentric and not even a sphere (7)
24 The crew's technique for getting on board? (7)
25 They sit for qualifications (6)
26 The sad adjustment to bereavements (6)

DOWN

1 Liable to be lying down (5)
2 Shut up after letter spelled out the end (7)
3 Report can damage business colleague (9)
5 One stands between two different centuries: this is invigorating (5)
6 Mark which journalist might use to identify himself? (7)
7 Firm with a majority following as far back as one can go (9)
10 Step over to check out for flight (9)
13 Take note when owner goes into fuel store (9)
15 Leave outside, unwell, to sway about (9)
17 Experimental area for blanket market research? (4, 3)
19 Nervous but standing firm (7)
21 Measure taken to keep river under control (5)
22 Hospitals have to cut this away in order to reveal stones (5)

The solution to last Saturday's prize puzzle will be published with names of winners next Saturday.

INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Ass.—Cont.

Income Accum.	131.4	138.4	-1.4	—
Do. Initial	125.4	132.1	-1.3	—
Universal Tec. Acc.	83.8	88.3	-1.9	—
Do. Initial	82.6	87.0	-1.9	—
Man. Pens. Accum.	264.3	278.3	....	—
Do. Initial	213.9	225.2	....	—
Gilt-Edg.Pens. Accum.	216.3	227.7	....	—
Do. Initial	168.3	177.2	....	—
Money Pens. Accum.	197.4	207.8	....	—
Do. Initial	155.8	164.0	....	—

Black Horse Life Ass. Co. Ltd.
346A High St., Chatham 0634 405161

Black Horse Man. Fd.		262.11	....	—
Managed Inv. Fd.	175.37	184.60	....	—
Property Fd.	154.90	163.06	....	—
Fixed Interest Fd.	149.46	157.44	....	—
Cash Fd	139.26	146.59	....	—
Income Fd.	202.57	213.24	....	—
Extra Income Fd.	197.87	208.29	....	—
Worldwide Growth Fd.	230.86	243.02	....	—
Balanced Fd.	204.85	215.63	....	—
Smlr Co's & Recy. Fd	231.02	243.17	....	—
Int. Technology Fd	257.53	271.09	....	—
Nth. Amer. & Gen. Fd.	150.97	158.92	....	—
Energy Int. Fd.	113.93	119.93	....	—
Pacific Basin Fund	164.31	172.96	....	—

British National Life Assurance Co. Ltd.
Haylands Rd, Haywards Heath. 0444 414111

Managed	119.9	126.2	-1.6	—
Property	123.6	130.1	-2.2	—
Equity	129.2	136.0	-3.8	—
International	134.2	141.3	-1.5	—
Fixed Interest	105.0	110.5	-0.8	—
Deposit	102.8	108.2	+0.4	—
Managed Pen. Cap.	118.8	125.1	-1.8	—
Property Pens. Cap.	123.5	130.0	-3.3	—
Equity Pens. Cap.	122.7	129.2	-4.4	—
Intnl. Pens. Cap.	137.5	144.8	-2.2	—
Fixed Int. Pens. Cap.	100.4	105.7	+0.1	—
Deposit Pens. Cap.	98.8	104.0	+0.2	—

Canada Life Group
2-6, High St., Potters Bar, Herts. P. Bar 51122

Equity Gth March 1		103.6	....	—
Retmt. Fed. April 6	296.3	—	....	—
Managed Pen Fund	198.2	208.7	....	—
Property Pen Fund	116.0	122.1	....	—
Index Lnkd Pen Fund	111.5	117.4	....	—
Managed	125.4	132.0	-0.6	—
Property	108.3	114.1	....	—
Gilt and Fixed Interest	107.5	113.2	+1.1	—
Index-Linked	95.7	100.8	-1.5	—
Equity	126.4	133.1	-1.2	—
Cash	108.4	114.2	....	—
Midland Bk. Unit Tst.	125.5	132.2	-0.9	—
Midland Bank Intnl.	141.6	149.1	-1.4	—

Cannon Assurance Ltd.
1 Olympic Way, Wembley HA9 0NB. 01-902 8876

Equity Units	£41.94	—	-0.58	—
Property Units	£27.64	—	....	—
Equity Bond/Exec	£27.11	28.47	-0.37	—
Prop. Bond/Exec	£23.06	24.40	....	—
Bal. Bd./Exec/Unit	£23.95	25.32	-0.17	—
2nd Equity Acc	210.6	222.9	-2.8	—
2nd High Inc/Acc	176.8	187.1	-2.0	—
2nd Property Acc	175.5	185.7	....	—
2nd Managed Acc	172.8	182.9	-1.9	—
2nd Deposit Acc	149.0	157.7	....	—
2nd Gilt Acc	142.8	151.1	-1.5	—
2nd American Acc	161.2	170.6	-1.0	—
2nd Intl Money Acc	149.1	157.8	+0.2	—
2nd Index Acc	97.6	103.3	-0.8	—
2nd Far East Acc	100.2	106.0	+1.2	—
2nd Eq. Pens./Acc	301.8	319.4	-4.8	—
2nd Hi Inc Pens/Acc	190.1	201.2	-2.4	—
2nd Prp. Pens/Acc	227.5	240.7	....	—
2nd Mgd. Pens/Acc	225.0	238.0	-2.0	—
2nd Dep. Pens/Acc	199.2	210.8	....	—
Gilt Pens/Acc	187.7	198.4	-1.8	—
2nd Am. Pens/Acc	225.9	239.8	-1.4	—
2nd Int. Money Pens/Acc	185.1	195.9	+0.6	—
2nd Index Pens./Acc.	104.0	110.1	-0.9	—
2nd Far East Pens/Acc	101.1	107.0	+1.3	—
L & E S.I.F.	75.5	80.0	-0.5	—
L & E S.I.F. 2	51.0	54.0	-0.5	—

Current value at May 24.

Capital Life Assurance
Continued on adjacent Page

Chieftain Assurance Funds
11 New Street, EC2M 4TP. 01-626 1533.

Managed Growth	200.05	210.58	....	—
Managed Income	98.19	103.34	....	—

Other prices available on 01-626 1533.

City of Westminster Assurance
Sentry House, 500, Avebury Boulevard,
Central Milton Keynes MK9 2LA. 0908-606101

	Series (2)		....	(1) Bid
West Prop. Fund	99.1	104.4	....	95.9
Managed Fund	283.2	298.2	-1.7	280.6
Equity Fund	138.5	145.8	-0.8	137.5
Farmland Fund	77.2	81.3	....	74.3
Money Fund	187.1	197.0	+0.1	189.2
Gilt Fund	113.0	119.0	-1.4	114.2
Natural Res Fd	108.4	114.2	-0.8	108.4
PULA Fund	221.0	232.0	....	221.0
Soc. Prop. Units	86.0	90.3	....	86.0
Soc. First Unit Fund	298.0	312.9	-1.3	298.0
*BR Fund	130.5	137.4	-3.5	130.5
S.U.N. Flag Fd	95.4	100.5	-0.3	95.4
Perform Units	361.1	—	-2.9	361.1

*Fund currently closed to new investment.
For Pension Prices please phone 0908 606101
Series (2) Prices are for policies issued after 1.1.1980.
Series (1) These are bid prices for earlier policies.

Clerical Medical & Gen. Life Ass. Soc.
15, St. James's Sq., SW1Y 4LQ. 01-930 5474

Executive Investment Pension Plan				
Cash Fund Init	99.4	104.7	....	—
Do. Accum	107.7	113.4	....	—
Mixed Fund Init	117.4	123.6	....	—
Do. Accum	127.1	133.8	....	—
Fixed Interest Fd Init	100.9	106.3	....	—
Do. Accum	109.2	115.0	....	—
UK Equity Fund Init	127.6	134.4	....	—
Do. Accum	138.2	145.5	....	—
Property Fund Init	97.7	102.9	....	—
Do. Accum	105.7	111.3	....	—
Overseas Fund Init	119.9	126.3	....	—
Do. Accum	129.9	136.8	....	—
Index Linked Fd Init	88.5	93.2	....	—
Do. Accum	95.8	100.9	....	—
Stock Ex. Fd. Init	99.5	104.8	....	—
Do. Accum	101.6	107.0	....	—

Prices May 16. Unit dealings on Wednesday.

Clerical Medical Managed Funds Ltd.
15 St James's Square, SW1Y 4LQ 01-930 5474

Cash Fund	132.3	132.3	....	—
Mixed Fund	180.0	188.6	....	—
Fixed Interest Fund	171.0	173.6	....	—
UK Equity Fund	281.7	287.8	....	—
Property Fund	120.6	126.0	....	—
Overseas Fund	192.2	201.8	....	—
Index Linked Fund	108.4	110.0	....	—
Stock Exch Fund	104.6	107.2	....	—

Prices May 16. Unit dealings on Wednesday.

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500
See adjacent Page

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE. 01-242 0282

Equity Fund	432.8	455.5	....	—
Managed Fund	397.0	417.8	....	—
PIP Fund	1,119.8	—	....	—
Pgal. Pen. Mngd.	223.0	234.7	....	—
Staffguard Man. Pen.	223.0	234.7	....	—
Group Mngd. Pen.	—	583.0	....	—
Fixed Int. Pen.	—	499.8	....	—
Index Linked Pen.	—	107.2	....	—
Equity Pension	—	898.9	....	—
Property Pension	—	376.7	....	—
International Pen.	—	174.9	....	—
Cash Pension	—	135.0	....	—

Continental Life Insurance PLC
64/70 High St., Croydon CR0 9XN 01-680 5225
See adjacent Page

Cornhill Insurance PLC
57 Ladymead, Guildford. 0483 68161.

Equity Fd May 20	155.0	163.5	....	—
Fixed Int May 20	129.0	136.0	....	—
Man Growth May 20	355.0	374.0	....	—
Money Fd May 20	120.5	127.0	....	—
Cap Fd May 15		260.5	....	—
G&S Spec Fd May 15		118.5	....	—

Credit & Commerce Life Ass Ltd
74 Shepherds Bush Green, W12 8SD. 01-740 7070

CCL Deposit Fd	125.0	132.0	-1.0	—
CCL Equity Fd	175.0	186.0	-3.0	—
CCL Fixed Int Fd	151.0	160.0	....	—
CCL Mngd Fd Acc	246.0	260.0	-4.0	—
Henderson Managed	92.0	98.0	-5.0	—
CCL Prop Fd	137.0	145.0	-2.0	—

Crescent Life Assurance Co. Ltd.
10 George St., Edinburgh 031 225 8494.

Managed Fund	144.0	152.7	-0.7	—
Managed Int.	140.9	149.4	-1.1	—
UK Equity	156.9	166.3	-1.6	—
Property	111.0	117.7	....	—
Money Market	115.3	121.6	....	—
Fixed Int	129.1	136.9	+0.2	—
Tokyo	170.5	180.7	-0.1	—
American	131.5	139.4	-2.3	—
International	130.4	138.2	-1.4	—
Growth & Incm	146.8	155.6	-0.9	—
High Distribution	149.7	158.7	-1.2	—
Capital	164.0	173.8	-2.2	—
Resources Fund	97.4	103.3	-1.5	—

Crown Life
Crown Life Hse., Woking GU21 1XW 04862 5033.

Life Funds				
Managed Acc	210.1	221.1	-1.4	—
Fixed Interest Acc	175.2	184.4	-0.2	—
Equity Acc	217.6	229.0	-2.2	—
Money Acc	148.1	155.8	....	—
Inv Trust Acc	241.8	254.5	-3.2	—
Intnl Acc	195.4	205.6	-4.9	—
Distribution Inc	146.2	153.8	-1.1	7.50
High Income Acc	191.6	201.6	-2.5	—
Property Acc	149.7	157.5	+0.1	—
Individual Pension Funds				
Managed Acc	171.7	180.7	....	—
Fixed Interest Acc	157.9	166.2	....	—
Equity Acc	220.6	232.3	....	—
Money Acc	131.5	138.4	....	—
Group Pension Funds				
Mixed	226.3	234.5	....	—
Fixed Interest	170.0	171.7	....	—
Equity	220.9	228.9	....	—
Money	160.2	168.2	....	—
Other Funds				
Crown Brit Inv A	—	300.3	....	—
PE Coronet	187.7	197.5	....	—
Brewin Equity	283.0	297.8	....	—
Heritage	142.7	150.2	....	—
Sage	128.7	135.4	....	—
D B S Managed	132.1	139.0	....	—
Growth Acc	126.6	133.2	....	—

Crusader Insurance PLC
Tower Hse, 38 Trinity Sq, EC3N 4DJ 488 2323

Growth Prop May 8	115.8	128.5xd	....	—
Mgd Pens May 9	184.80	190.51	....	—

Eagle Star Insur./Midland Assur.
1, Threadneedle St., EC2. 01-588 1212

Eagle/Mid. Units	110.9	115.4	-0.7	4.80

Equity & Law Life Ass. Soc.
Amersham Road, High Wycombe. 0494 33377

UK Equities Fund	279.2	293.8	-2.3	—
Higher Inc. Fund	220.5	232.1	-2.3	—
Property Fund	218.4	229.8	....	—
Fixed Interest Fund	183.1	192.7	-0.3	—
Index Linked Secs Fnd.	95.5	100.5	-0.8	—
Gtd. Deposit Fund	150.6	158.5	....	—
Nth. America Fund	174.6	183.7	-3.5	—
Far East Fund	146.0	153.6	-2.6	—
Europe Fund	109.3	115.0	+0.2	—
International Fund	168.3	177.1	-2.3	—
Mixed Fund	236.5	248.9	-1.6	—

Equity & Law (Managed Funds)
Amersham Road, High Wycombe. 0494 33377

Ind. Pen. Equity	300.2	315.9	-2.9	—
Ind. Pen. Property	168.8	177.6	....	—
Ind. Pen. Fixed Int.	190.5	200.5	-2.7	—
Ind. Pen. Indx Lk. Scs.	112.1	118.0	-0.6	—
Ind. Pen. Overseas	273.6	288.0	-5.2	—
Ind. Pen. Cash	162.9	171.4	....	—
Ind. Pen. Balanced	229.9	241.9	-0.6	—
Ind. Pen. Dep. Admin.	167.3	176.1	....	—

Group Pension Funds—Prices Available On Request.

Family Assurance Society
Blenheim Hse., Church St., Brighton 0273 671111.

Family A. Managed	250.6	263.8	....	—
Family B. Managed	143.4	146.3	....	—
Family C. Brit.	124.2	126.7	....	—
Family D. Fixed Int.	152.0	155.1	....	—
Family Capital Mngd.	141.8	144.7	....	—
Family Brit II	84.6	86.4	....	—
Family Growth	67.7	69.1	....	—

G.T. Management Ltd.
16 Finsbury Circus, Lond. EC2M 7DJ. 01-628 8131

G.T. Plan Bond Fund	126.5	133.2	-0.7	—
GT Pln High Yld Fnd	131.4	138.4	-2.0	—
GT Plan Far East Fnd	125.7	132.4	+3.0	—
GT Plan N. Am Fd	117.8	124.0	+1.4	—
GT Pln UK&G.E. Fnd	153.4	161.5	-3.0	—
GT Pln Wrldwde Fnd	149.4	156.3	-0.1	—
GT Pension Bnd Fnd	138.3	145.6	+0.9	—
GT Pen High Yld Fd	152.1	160.2	-2.5	—
GT Pen Far East Fd	156.8	165.1	+5.4	—
GT Pen N Am. Fd	173.5	182.7	+2.0	—
Pen UK and General	179.2	188.7	-3.6	—
GT Pen Worldwide Fd.	158.9	167.3	-0.2	—

Prices for Accum. Units only.

Assicurazioni GENERALI S.p.A.
117, Fenchurch St., EC3M 5DY. 01-488 0733

Intl. Managed Bond	174.7	183.9	....	—

General Portfolio Life Ins. PLC
Crossbrook St., Cheshunt, Herts. Waltham X 31971

Portfolio Fd. Acc		264.6	-7.7	—
Portfolio Fd. Init		214.5	-6.3	—

Continued on adjacent Page

Gresham Unit Ass. Ltd.
2-6, Prince of Wales Rd. B'mouth. 0202 767655

Managed Fd	283.8	299.0	....	—
Money Fd	159.7	168.1	....	—
Equity Fd	239.7	252.6	....	—
Fixed Int. Fd	117.6	123.9	....	—
Property Fd	177.4	186.9	....	—
Managed Pen. Fd	281.8	296.9	....	—
Equity Pension Fd	177.7	187.3	....	—
Fixed Int. Pen. Fd	167.8	176.8	....	—
High Yield Pen. Fd	165.8	174.7	....	—
Money Pension Fd	134.0	141.1	....	—
Property Pension Fd	132.9	140.0	....	—
Gresham/Framlington				
American & Gen. Fd	224.0	236.0	-0.7	—
Income Fd	216.3	227.9	-1.6	—
Int'l. Growth Fd	255.5	269.2	+1.0	—
Capital Fund	225.1	237.2	-1.9	—
Recovery Fund	157.1	165.5	-0.3	—
Japan & Gen Fd	96.1	101.3	+3.5	—

Growth & Sec. Life Ass. Soc. Ltd.
48, London Fruit Exchange, E1 6EU 01-377 1122

Flexible Finance	153.7	—	....	—
Landbank Secs	70.4	74.6	....	2.10
Landbank Secs. Acc.	190.9	195.8	....	—
G. & S. Super Fd.	£11.147	—	....	—

Guardian Royal Exchange
Royal Exchange, EC3. 01-283 7101

Guardian Assurance				
Property Bonds	314.8	327.9	....	—
GRE Linked Assurance Ltd.				
Managed Initial	219.0	230.5	-0.4	—
Do. Accum	246.4	259.4	-0.4	—
Equity Initial	284.1	299.0	-0.9	—
Do. Accum	319.7	336.5	-1.0	—
Fixed Int. Initial	189.0	198.9	+0.9	—
Do. Accum.	212.7	223.8	+1.0	—
Intnl. Initial	202.7	213.4	-2.4	—
Do. Accum	228.1	240.1	-2.9	—
North American Initial	91.2	96.0	-1.3	—
Do. Accum	93.4	98.3	-1.3	—
Pacific Initial	103.8	109.2	-1.2	—
Do. Accum	105.3	110.8	-1.2	—
Index-Linked Gilt Init	91.3	96.1	-0.8	—
Do Accum	93.5	98.4	-0.4	—
Property Initial	123.3	129.8	....	—
Do Accum	138.5	145.8	....	—
Deposit Initial	124.9	131.4	....	—
Deposit Accum.	140.5	147.9	+0.1	—
GRE Pensions Management Ltd.				
Pens. Managed Initial	219.8	231.3	-0.7	—
Pens. Managed Acc	241.7	254.4	-0.8	—
Pens. Equity Initial	298.6	314.3	-1.9	—
Pens. Equity Acc	328.4	345.7	-2.1	—
Pens. Fxd. Int. Initial	199.7	210.1	+1.4	—
Pens. Fixed Int. Acc.	219.6	231.1	+1.6	—
Pens. Int'l Initial	205.1	215.9	+3.1	—
Pens. Int'l. Acc.	225.6	237.5	+3.5	—

Continued on adjacent Page

Hambro Life Assurance PLC
Allied Hambro Ctr, Swindon, SN1 1EL 0793 28291

Fixed Int. Dep. Acc.	191.6	201.7	....	—
Equity Acc.	420.3	442.5	....	—
Property Acc.	289.7	305.0	....	—
Managed Cap.	237.2	249.7	....	—
Managed Acc.	365.5	384.8	....	—
O'seas Earnings Acc.	278.0	292.7	....	—
Gilt Edged Acc.	211.8	223.0	....	—
American Equity Acc.	230.5	242.7	....	—
American Man Acc.	124.5	131.1	....	—
American Prop Acc	109.8	115.6	....	—
Pen.F.I.Dep.Cap	208.3	219.3	....	—
Pen.F.I.Dep.Acc.	299.0	314.8	....	—
Pen. Prop. Cap.	351.6	370.2	....	—
Pen. Prop. Acc.	557.0	586.4	....	—
Pen. Man. Cap	449.8	473.5	....	—
Pen. Man. Acc	712.5	750.1	....	—
Pen.Gilt Edg.Cap	226.5	238.5	....	—
Pen. Gilt Edg. Acc	293.3	308.8	....	—
Pen. Eq. Cap.	661.2	696.1	....	—
Pen. Eq. Acc.	794.1	835.9	....	—
Pen. Am. Eq. Cap.	92.7	97.6	....	—
Pen. Am. Eq. Acc.	93.8	98.8	....	—
Pen. Far East Cap.	95.3	100.4	....	—
Pen. Far East Acc.	96.6	101.7	....	—
Pen. B.S. Cap	211.4	222.0	....	—
Pen. B.S. Acc.	295.4	310.2	....	—
Pen. D.A.F. Cap.		171.4	....	—
Pen. D.A.F. Acc.		213.4	....	—
Pen Mortgage Cap	96.8	101.9	....	—
Pen. Mortgage Acc.	98.0	103.2	....	—

Hearts of Oak Benefit Society
129, Kingsway, London, WC2B 6NF. 01-404 0393

Property Fund	48.2	51.9	....	—
Managed Fund	135.1	142.7	....	—

Henderson Administration
26 Finsbury Sq, London EC2. 01-638 5757
Continued on adjacent Page

Hill Samuel Life Assur. Ltd.
NLA Twr., Addiscombe Rd., Croy. 01-686 4355

Security Fund	156.0	164.3	-1.1	—
British Fund	154.4	162.6	-1.2	—
International Fund	177.8	187.2	-1.9	—
Dollar Fund	156.0	164.3	-2.5	—
Capital Fund	152.8	160.9	-1.7	—
Income Fund	176.1	185.4	-1.3	—
Property Series A	180.1	189.6	....	—
Property Units	292.3	307.0	....	—
Financial Fund	136.1	143.3	-0.5	—
Managed Series A	187.7	197.6	-0.7	—
Managed Series C	148.2	156.0	-0.6	—
Managed Units	325.1	342.3	-1.0	—
High Yield Fund	169.6	178.6	-1.4	—
Money Series A	147.4	155.2	....	—
Money Units	187.0	196.9	....	—
Equity Fund	195.0	205.3	-1.6	—
Fixed Int. Fund	161.7	170.3	-1.7	—
Indexed Sec. Fd.	97.6	102.8	-1.5	—
European Fund	186.6	196.5	-2.2	—
Natural Resources Fd.	134.2	141.3	-0.9	—
Far East Fund	219.5	231.1	-0.6	—
Smaller Cos.	153.1	161.2	-1.6	—
Spec. Sits Fund	178.2	187.6	-3.0	—
Mangd. Crncy. Fund	120.8	127.2	+0.2	—
Japan Tech	98.0	103.2	-0.3	—
Pension Fund Prices				
Property Acc.	202.6	213.3	....	—
Property Cap.	164.8	173.5	....	—
Managed Acc.	395.5	416.4	....	—
Managed Cap.	305.0	321.1	....	—
Guaranteed Acc.	214.8	226.2	....	—
Guaranteed Cap.	165.6	174.4	....	—
Equity Acc.	313.5	330.0	....	—
Equity Cap.	254.1	267.5	....	—
Fixed Int. Acc.	217.6	229.1	....	—
Fixed Int. Cap.	177.3	186.7	....	—
Indexed Secs. Acc.	103.6	109.1	....	—
Indexed Secs. Cap.	93.6	98.6	....	—

Imperial Life Ass. Co. of Canada
Imperial Life House, London Rd, Guildford. 571255

Growth Fd May 18	167.2	183.4	....	—
Pens Fd May 18	168.8	183.5	....	—
Pens Fd Ser May 18	168.8	—	....	—
Unit Linked Portfolio				
Managed Fund	176.00	185.2	....	—
Fixed Int. Fd.	175.9	185.2	....	—
Secure Cap Fd	146.0	153.7	....	—
Equity Fund	270.6	284.8	....	—
Property Fund	143.4	151.0	....	—

Irish Life Assurance Co. Ltd.
Basildon House, 7/11 Moorgate, EC2. 01-606 8401

Property Modules	278.5	293.1	....	—
Property Modules Gth.	363.9	383.0	....	—
Ppty. Mod. Gth. Ser. 2	169.1	178.0	....	—
Ppty. Mod. Gth. Ser. 3	169.3	178.2	....	—
Blue Chip	122.5	128.9	-3.7	—
Blue Chip Series 2	182.0	191.6	-5.5	—
Blue Chip Series 3	181.7	191.3	-5.5	—
High Income Series 3	554.4	583.6	+0.4	—
Managed	424.5	446.8	-5.7	—
Managed Series 2	168.9	177.8	-3.3	4.96
Managed Series 3	167.2	176.0	-2.2	—
Global Series 3	192.6	202.7	....	—
Exempt Managed	267.6	281.7	....	—
Ppty. Pen. Ser. 2	111.3	117.1	....	—
Equity Pen. Series 2	234.0	246.3	....	—
Gilt Edged Pen. Ser. 2	208.1	219.1	....	—
Managed Pen. Ser. 2	215.7	227.1	....	—
Cash Pension Series 2	121.6	128.0	....	—

Langham Life Assur. Co. Ltd.
Langham Hse., Holmbrook Dr., NW4. 01-203 5211

Harvest Pen. Fund	158.0	166.3	....	—
Langham 'A' Plan	87.6	92.2	....	—
Prop. Bond	256.9	270.4	....	—
Wisp (SP) Man Fd	119.7	126.0	....	—

Legal & General (Unit Assur.) Ltd.
Kingswood House, Kingswood, Tadworth, Surrey
KT20 6EU. Burgh Heath 53456

Cash Initial	119.9	126.3	....	—
Do. Accum.	148.0	155.8	....	—
Equity Initial	283.6	298.6	+5.0	—
Do. Accum.	350.0	368.5	+6.2	—
Fixed Initial	203.5	214.3	-0.2	—
Do. Accum.	251.1	264.4	-0.3	—
Index Linked Gilt	93.5	98.5	-1.4	—
Do. Accum.	98.4	103.6	-1.6	—
Intl. Initial	182.5	192.2	-2.5	—
Do. Accum.	221.7	233.4	-3.1	—
Managed Initial	237.0	249.5	-1.7	—
Do. Accum.	292.5	307.9	-2.2	—
Property Initial	138.5	145.8	....	—
Do. Accum.	170.9	179.9	....	—
Exempt Cash Init.	162.3	170.9	....	—
Do. Accum.	200.0	210.6	....	—
Exempt Eqty. Init.	404.3	425.6	-3.8	—
Do. Accum.	498.2	526.5	-4.6	—
Exempt Fixed Init.	260.2	273.9	-0.8	—
Do. Accum.	320.7	337.6	-0.90	—
Ex. Index Lnk. Gilt	93.2	98.2	-1.5	—
Do. Accum.	98.1	103.3	-1.7	—
Exempt Intl. Initial	125.8	132.5	-1.8	—
Do. Accum.	139.1	146.5	-2.0	—
Exempt Mngd. Init.	333.7	351.3	-2.4	—
Do. Accum.	411.2	432.9	-3.0	—
Exempt Prop. Init.	170.6	179.6	+0.7	—
Do. Accum.	210.2	221.3	....	—
Sp. Deposit Init.	118.5	124.8	....	9.0
Do. Accum.	129.6	136.5	....	9.0

Legal & General Prop. Fd. Mgrs. Ltd.
11, Queen Victoria St., EC4N 4TP. 01-248 9678

L & G April 2	138.7	144.7	....	—

Next sub day May 1.

Life Assur. Co. of Pennsylvania
8, New Rd., Chatham, Kent. Medway 812348

LACOP Units	14.11	14.82	....	—

Lloyds Life Assurance
20, Clifton St., EC2A 4HX 01-920 0202

Multi Gwth Apr 6		£2.82094	....	—
Multi Gwth A Apr 6	262.6	276.5	....	—
Op B Prop May 24	247.9	261.0	....	—
Op B Equity May 25	311.9	328.4	-4.8	—
Op B Hy May 24	254.2	267.6	....	—
Op Man May 24	309.0	325.3	....	—
Op B Dep May 25	192.5	202.7	+0.1	10.24
Op B Int Bd May 24	162.8	171.4	....	—
Op S Int Dis May 24	131.9	138.9xd	....	8.10
Op Int Man May 24	175.7	185.0	....	11.30
Op B US$ May 24	131.7	138.7	....	—
Pen B Pr Ac May 15	302.7	318.7	....	—
Pen B Pr Cp May 15	204.0	214.8	....	—
Pen B Eq Ac May 15	884.5	931.1	....	—
Pen B Eq Cp May 15	596.2	627.4	....	—
Pen B FI Ac May 15	372.8	391.6	....	—
Pen B FI Cp May 15	250.8	264.0	....	—
Pen B Mid May 15	541.0	569.5	....	—
Pen B Mid Cp May 15	364.7	383.9	....	—
Pen B Dp Ac May 15	298.2	313.9	....	—
Pen B Dp May 15	201.0	211.6	....	—
Britannia Funds—Series A				
Am Small Co's May 23	117.9	124.2	....	—
Am Spec. May 23	137.5	144.8	....	—
Commodity May 23	81.3	85.6	....	—
Ex Inc May 23	112.9	118.9	....	—
Far East May 23	97.4	102.6	....	—
Fin Secs May 23	141.3	148.8	....	—
Gold & Gen May 23	99.5	104.8	....	—
Growth May 23	118.9	125.2	....	—
Inc Growth May 23	146.7	154.5	....	—
Int Growth May 23	116.7	122.9	....	—
Japan Perf May 23	129.9	136.8	....	—
Na High May 23	137.5	144.8	....	—
Prop Sha May 23	109.7	115.5	....	—
Sp Market May 23	111.9	117.8	....	—
Recovery May 23	138.4	145.7	....	—
Small Co May 23	159.1	167.5	....	—
Univ Energy May 23	80.6	85.9	....	—
World Tech May 23	126.7	133.4	....	—
Man Growth May 23	139.7	147.1	....	—
Gilt May 23	99.2	104.5	....	—
HK Perf May 23	74.1	78.1	....	—
Aust Growth May 23	112.6	118.6	....	

Lloyds Life Assurance—cont.

Gartmore Funds—Series A				
American May 22	157.7	166.0	....	—
Australian May 22	102.7	108.2	....	—
British May 22	144.1	151.7	....	—
Commodity May 22	130.6	137.5	....	—
Extra Inc May 22	135.0	142.2	....	—
Far Eastern May 22	115.2	121.3	....	—
Gilt May 22	99.6	104.9	....	—
Global Strat May 22	178.0	187.4	....	—
Gold Share May 22	83.1	87.5	....	—
High Inc May 22	139.3	146.7	....	—
Income May 22	174.7	183.9	....	—
Japan May 22	165.8	174.6	....	—
Oil & Energy May 22	136.0	143.2	....	—
Special Sits May 22	160.0	168.5	....	—
UK Smller Cos May 22	145.1	152.8	....	—
Man Growth May 22	158.2	166.6	....	—

London A'deen & Nthn. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

Asset Builder	68.7	72.8	....	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.

Money Mngr May 16	66.6	71.3	....	—
MM Flexible May 10	59.1	62.3	....	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179
Continued on adjacent Page

London & Manchester Group
Winslade Park, Exeter EX5 1DS. 0392 52155

	Cap	Acc		Rd M/C
Invest Trust Fd	296.1	321.4	-7.7	337.2
Property Fd	117.8	127.1	+0.1	132.5
Fixed Int Fd	134.8	145.5	-0.2	—
Equity Fd	137.2	147.9	-1.9	—
Intnl Fd	126.6	136.3	+0.1	—
Guaranteed Dep Fd	140.0	149.8	....	—
Flexible Fd	186.5	201.2	-1.8	207.6
Moneymaker Fd	—	175.6	-1.7	—
Cap Growth Fd	—	443.1	-4.8	—
Exempt Inv Tst Fd	461.1	494.6	-3.9	—
Exempt Inv Nom Shs.	—	489.4	-3.9	503.3
Exempt Ppty Fd	191.0	205.1	+0.3	—
Exempt Ppty Nom Shs.	—	202.7	+0.3	208.4
Exempt Fixed Int Fd	104.0	111.5	-1.4	—
Exempt Equity Fd	122.0	130.5	-1.7	—
Exempt Gtd Dep Fd	106.2	113.8	+0.1	—
Exempt Flex Fd	254.9	273.5	-2.9	—
Exempt Flex Nom Shs.	—	270.5	-2.9	277.6
Exempt Mixed Fd	100.1	100.2	+0.1	—

M & G Group
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588.

American Fund Bond	120.3	126.4	-3.0	—
American Rec. Bond	168.7	177.2	-6.1	—
American Smlr Cos Bd	76.1	80.0	-1.8	—
Australasian Bond	106.5	111.9	-5.8	—
Commodity Bond	141.5	148.6	+0.7	—
Deposit Bond	184.7	194.0	....	—
Equity Bond (Acc)	327.0	343.5	-6.2	—
Extra Yield Fd. Bond	169.5	178.0	-4.5	—
Far Eastern Bond	116.8	122.7	-2.4	—
Gilt Bond	180.4	189.6	-2.9	—
Gold Bond	113.0	118.7	+0.8	—
High Yield Bond	136.4	143.3	-3.5	6.79
Index-Linked Gt Bd	98.0	103.0	-1.6	—
International Bond	222.3	233.6	-5.6	—
Japan Fund Bond	110.1	115.7	-4.2	—
Managed Bond	286.2	300.6	-5.0	—
Property Bond	250.7	263.4	....	—
Recovery Fund Bond	149.2	156.7	-4.5	—
Family Bond	—	475.1	....	—
Personal Pensions	—	738.1	-10.1	—
Flexible Pension Funds				
American (Cap.)	203.4	213.7	-4.6	—
Do. (Accum.)	250.9	263.5	-5.6	—
Deposit (Accum.)	162.2	170.4	+0.1	—
Equity (Cap)	213.9	224.7	-2.5	—
Equity (Acc)	263.7	277.0	-3.1	—
Gilt (Cap.)	180.4	189.5	-2.7	—
Do. (Accum.)	222.5	233.7	-3.2	—
Gold (Cap)	87.8	92.2	+0.6	—
Gold (Acc)	108.2	113.7	+0.8	—
Ind-Linked Gilt (Acc)	102.9	108.2	-1.9	—
Managed (Cap.)	191.7	201.4	-2.1	—
Do. (Accum.)	236.4	248.3	-2.6	—
PPP Fund (Cap.)	151.5	159.1	-2.2	—
Do. (Accum.)	186.8	196.2	-2.7	—
Pacific (Cap.)	205.3	215.7	-2.0	—
Do. (Accum.)	253.2	265.9	-2.4	—
Property (Accum)	151.4	159.1	....	—

Manufacturers Life Insurance Co. (UK)
St. George's Way, Stevenage. 0438 356101

Managed	245.2	258.1	-5.9	—
Property	196.0	206.3	+0.1	—
Equity	242.0	254.7	-12.6	—
Gilt Edged	264.1	278.0	-7.2	—
Deposit	156.6	164.8	+0.1	—
Investment	104.7	110.0	-4.9	—
International	205.3	216.1	-2.6	—
Pension Fund Prices				
Managed Init.		175.0	....	—
Do. Accum.		190.9	....	—
Property Init.		163.8	....	—
Do. Accum.		178.8	....	—
Equity Init.		184.1	....	—
Do. Accum.		200.6	....	—
Gilt-Edged Init.		168.1	....	3.09
Do. Accum.		183.5	....	—
Guaranteed Init.		119.9	....	—
Do. Accum.		130.9	....	—
International Init.		247.1	....	—
Do. Accum.		269.5	....	—
Index Lk. Gilt Init.		113.8	....	—
Do. Accum.		124.2	....	—

Merchant Investors Assurance
Leon House, 233 High St., Croydon 01-686 9171

Property	285.4	—	+0.1	—
Property Pens.		359.4	+0.3	—
Equity		115.4	-5.8	—
Equity Pens.		423.7	-25.1	—
Money Market		238.2	-4.1	—
Money Mkt. Pens.		386.3	-6.7	—
Deposit		194.4	+0.1	—
Deposit Pens.		272.9	+0.2	—
Managed		193.9	-5.9	—
Managed Pens.		314.0	-11.1	—
Intl. Equity		210.8	-5.4	—
Do. Pens.		274.3	-8.2	—
Intl. Managed		198.7	-4.3	—
Do. Pens.		240.6	-6.1	—
North American		108.9	-3.8	—
Do. Pens.		121.9	-4.5	—
Far East		146.9	+0.7	—
Do. Pens.		164.0	+1.1	—
Intnl. Currency		132.7	+0.2	—
Do. Pens.		157.4	+0.3	—
Index Linked		107.2	-1.8	—

Multiple Health and Life Assur. Co. Ltd.
Stephenson House, Brunel Centre, Bletchley,
Milton Keynes. 0908 641272.

Clarbse. Energy		78.8	....	—
Magna Bld. Soc.		203.4	....	—
Magna Managed		229.2	....	—
Pens. Mangd. Acc.	31.3	32.7	....	—
Pens. Gtd. Dep. Acc	28.1	29.5	....	—

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 0306 887766

Nelex Eq. Cap.	187.7	197.5	....	—
Nelex Eq. Accum.	305.8	321.8	-3.8	—
Nelex Gilt+F.I. Cap.	79.4	81.4	....	—
Nelex Gilt+F.I. Acc.	111.4	117.2	....	—
Nelex Gth Inc Cap	101.8	107.1	....	—
Nelex Gth Inc Acc	136.7	143.8	....	—
Nelex Managed Cap.	81.2	85.4	....	—
Nelex Managed Acc.	111.2	117.0	....	—
Nelex Deposit Cap.	70.0	73.6	....	—
Nelex Deposit Acc.	91.6	96.4	....	—
Nelex Int.Fxd.Int. Cap	66.3	69.7	....	—
Nelex Int.Fxd.Int. Acc	82.3	86.6	....	—
NelIndexLk.Secs.Cap	45.4	47.7	....	—
NelIndexLk.Secs.Acc	53.2	55.9	....	—

Next sub day June 25.

National Provident Institution
48, Gracechurch St., EC3P 3HH. 01-623 4200.

Managed	171.1	180.2	-1.5	—
UK Equity	182.7	192.4	-2.6	—
Overseas Eq.	159.8	168.3	-2.7	—
Americas	160.2	168.7	-3.0	—
Far East	161.1	169.6	-2.2	—
Property	108.3	114.0	-0.2	—
Fixed Int.	149.1	157.0	-0.5	—
Indexed Gilt	98.7	103.9	-1.5	—
Deposit	109.8	115.6	....	—
Pensions Fund Prices				
Man. Initial	169.8	178.8	-1.8	—
Man. Acc.	185.5	195.3	-2.2	—
UK Eq. Initial	175.7	185.0	-4.1	—
UK Eq.	188.8	198.8	-4.4	—
Overseas Eq. Initial	183.8	193.5	-3.1	—
Overseas Eq.	206.5	217.4	-3.5	—
Americas Initial	170.2	179.2	-3.4	—
Americas	183.4	193.1	-3.7	—
Far East Initial	200.9	211.5	-3.0	—
Far East	216.9	228.4	-3.3	—
Prop. Initial	103.8	109.3	-0.2	—
Prop.	111.9	117.8	-0.2	—
Fixed Int. Initial	132.2	139.2	-0.4	—
Fixed Int.	142.2	149.7	-0.5	—
Indexed Gilt Initial	93.8	98.8	-1.4	—
Indexed Gilt	100.1	105.5	-1.6	—
Deposit Initial	108.3	114.1	....	—
Deposit	117.2	123.4	....	—
NPI Pensions Management Ltd.				
Managed Fund	476.4	496.3	....	—

Prices May 1. Next dealing June 1.

New Zealand Sth. Brit. Insce. PLC
Maitland House, Southend SS1 2JS 0702 62955

Kiwi Key (Managed)	334.3	344.6	....	—
UK Equity	142.5	150.0	-0.7	—
American	229.7	241.8	+1.2	—
Pacific	333.0	350.5	+8.1	—
Property	146.9	154.7	....	—
Gilt	167.9	176.8	+0.4	—
High Inc. Equity	137.0	144.0	-0.8	—
High Inc. Fxd. Int.	100.8	106.1	-0.5	—
Deposit	145.0	152.6	+0.1	—
Index-Linked Gilt	98.7	103.9	+0.5	—

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200

NUIG (Managed Funds) Ltd.				
Managed Fund	471.8	496.6	-2.9	—
Equity Fund	854.2	899.2	-9.6	—
Property Fund	249.6	262.7	+0.1	—
Fixed Int. Fund	263.1	276.9	+0.2	—
Deposit Fund	167.7	176.5	....	—
Norwich Union Life Insurance Society Pensinvestor				
Fixed Interest*	171.8	180.8	....	—
Ordinary Share*	227.5	239.4	....	—
Property*	122.1	128.5	....	—
Deposit*	121.4	127.7	....	—
Index Linked Secs.*	113.4	119.3	....	—
Mixed*	185.9	195.6	....	—
*Prices at May 22.				
Nor Units May 15	522.6	—	....	—

Pearl Assurance (Unit Funds) Ltd.
252 High Holborn, WC1V 7EB. 01-405 8441.

Inv. Prop. Dist.	137.2	144.5	....	—
Inv. Prop. Acc.	196.8	207.2	....	—
Inv. Equity	307.1	323.3	....	—
Inv. Managed	247.4	260.5	....	—
Pearl Assurance (Unit Linked Pensions) Ltd.				
Ret. Managed	221.2	232.9	....	—

Phoenix Assurance Co. Ltd.
18 King William St., EC4N 7ER. 01-626 9876

Wealth Ass.	239.6	252.3	....	—
Ebr. Ph.Eq.E.	188.1	198.0	....	—

Pioneer Mutual Insurance Co. Ltd.
16, Crosby Rd., N. Waterloo, L'pool 051-928 6655

Managed Fund	183.7	194.7	....	—
Man Pens Inc Fd	213.0	226.2	....	—
Man Pens Cap Fd	213.0	226.2	....	—

Premium Life Assurance Co. Ltd.
Eastchester Hse., Haywards Heath 0444 458721

American Tech. Fd.	129.0	136.0	-3.0	—
Building Soc. Fd.	123.0	130.0	+1.0	—
Balanced	138.0	146.0	-3.0	—
GT Managed	93.0	98.0	-1.0	—
Deposit	123.0	130.0		
Gilt	130.0	137.0		
High Inc	98.0	104.0	-1.0	—
Japan	124.0	131.0	-3.0	—

Continued on adjacent Page

Prop. Equity & Life Ass. Co.
Baxter Ave., Southend SS2 6HQ 0702 333433

R. Silk Prop. Bond		262.8	....	—
R. Silk Flex Money Bd.		232.3	....	—
Int. Man. Currny Fd.	106.1	—		
Flexible Prop. Plan		112.2	....	—

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		292.6	....	—
Property Fund (A)		284.0	....	—
Agricultural Fund		1,152.0	....	—
Agric. Fund (A)		1,119.9	....	—
Abbey Nat. Fund		234.2	....	—
Abbey Nat. Fd. (A)		233.0	....	—
Investment Fund		139.0	-0.7	—
Investment Fund (A)		135.8	....	—
Equity Fund		431.9	-5.4	—
Equity Fund (A)		422.5	-5.4	5.8
Money Fund		226.3	+0.3	—
Money Fund (A)		221.8	+0.3	—
Actuarial Fund		233.1	....	—
Gilt-edged Fund		188.7	....	—
Gilt-Edged Fd. (A)		188.7	....	—
Retire Annuity		370.0	....	—
Immed. Ann'ty		194.5	....	—
International Fd.		246.6	-4.3	—
Bldg. Soc. Life Fd.		109.4		
Property Growth Pensions & Annuities Ltd.				
All W'ther Ac. Uts.	276.4	291.0	....	—
Inv. Fd. Uts.		316.2	....	—
Pension Fd. Uts.		266.1	....	—
Conv. Pens. Fd.		313.4	....	—
Cnv. Pns. Cap. Ut.		230.0	....	—
Man. Pens. Fd.		351.0	-10.0	—
Man. Pens. Cap. Ut.		268.0	-8.0	—
Prop. Pens. Fd.		293.0	....	—
Prop. Pens. Cap. Uts.		217.7	....	—
Bldg. Soc. Pen. Ut.		271.6	....	—
Bldg. Soc. Cap. Ut.		203.5	....	—
Gilts Pens. Fd.		170.6	+0.1	—
Gilts Pens. Fd. Cap.		146.1	....	—
Equity Pens. Fd.		276.1	-2.7	—
Equity Pens. Fd. Cap.		234.1	-2.7	—
Intl. Pens Fd.		99.4	-2.6	—
Intl Pens Fd Cap		97.8	-2.6	—

Providence Capitol Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	115.1	121.5	....	—
Fixed Interest Acc.	91.1	96.2	....	—
Intnl. Acc.	79.2	83.6	....	—
Managed Acc.	94.0	99.1	....	—
Property Acc.	120.3	126.9	....	—
Money Acc.	76.5	80.7	....	—
Special Market Acc.	71.6	75.6	....	—
Japan Acc.	68.4	72.2	....	—
North America Acc.	67.9	71.7	....	—
Pacific Acc.	51.6	54.5	....	—
Technology Acc.	71.8	75.8	....	—
Nat. Resources Acc.	54.6	57.6	....	—
Japan Growth Acc.	95.2	100.5	....	—
Individual Pension Funds				
Equity Acc.	107.9	113.9	....	—
Fixed Interest Acc.	93.8	99.0	....	—
Intnl. Acc.	89.8	94.8	....	—
Managed Acc.	90.6	95.5	....	—
Property Acc.	87.0	91.8	....	—
Money Acc.	71.7	75.7	....	—
Group Pension Funds				
Equity	349.5	360.4	....	—
Fixed Interest	267.8	276.1	....	—

Provident Mutual Life Assc. Assn.
Wilian Rd., Hitchin, Herts, SG4 0LP 0462-52991

Managed Ord	137.2	144.4	-1.4	—
Managed Init	130.0	136.8	-1.4	—
Equity Ord.	158.3	166.6	-1.8	—
Equity Init	150.0	157.9	-1.8	—
Overseas Equity Ord	139.7	147.1	-4.0	—
Overseas Equity Init	132.4	139.4	-3.8	—
Property Ord	108.8	114.5	....	—
Property Init	103.2	108.6	....	—
Fixed Interest Ord	108.7	114.4	-0.3	—
Fixed Interest Init	103.1	108.5	-0.2	—
Deposit Ord	104.2	109.7	+0.1	—
Deposit Init	98.7	103.9	....	—
Pension Funds				
Managed Ord.	145.9	153.6	-1.6	—
Managed Init.	138.3	145.6	-1.5	—
Equity Ord.	170.6	179.6	-2.1	—
Equity Init.	161.7	170.2	-2.0	—
Overseas Equity Ord.	146.6	154.3	-4.8	—
Overseas Equity Init.	139.0	146.3	-4.4	—
Property Ord.	113.4	119.4	....	—
Property Init.	107.5	113.2	....	—
Fixed Interest Ord.	111.1	116.9	-0.3	—
Fixed Interest Init.	105.3	110.8	-0.3	—
Deposit Ord.	110.6	116.4	....	—
Deposit Init.	104.8	110.3	....	—

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, EC2. 01-247 6533

Managed Fd.	287.4	302.9	-4.1	—
Cash Fd	164.9	173.8	....	—
Property Fund	172.1	181.1	....	—
Equity Fund	302.7	319.0	-6.1	—
Fxd. Int. Fund	178.7	188.4	+0.1	—
International	154.7	163.1	-3.7	—
High Income	165.0	173.9	+2.0	—
Far East	181.7	191.5	-2.4	—
North American	175.4	184.9	-3.1	—
Special Sits.	217.7	229.4	-4.6	—
Technology	217.7	229.4	-5.5	—
Managed Pens. Acc.	221.9	233.6	-3.7	—
Deposit Pens. Acc.	146.3	154.1	....	—
Property Pens. Acc.	[illegible]	161.9	....	—
Fix. Int. Pens. Acc.	174.7	183.9	+0.1	—
Equity Pens. Acc.	264.9	278.9	-5.9	—
International Pens Acc.	127.7	134.5	-3.4	—
High Inc Pens Acc.	146.5	154.3	-1.9	—
Tech Pens Acc	135.7	142.9	-3.7	—
N American Pens Acc	109.9	114.9	-2.0	—
Far Eastern Pens Acc	155.2	163.1	-1.7	—
Special Sits Pens Acc	155.8	164.0	-3.4	—
Gilt Fund	196.4	208.9	+1.1	—

For Capital Unit and Other Prices ring 01-247 6533.

Prudential Assurance Co.
Holborn Bars, EC1N 2NH. 01-405 9222

Prufund				
Managed May 23	124.4	129.6	-1.0	—

Prudential Pensions Limited
Holborn Bars, EC1N 2NH. 01-405 9222

Discrty Fd May 16	£65.86	67.55	....	—
Equity Fd May 16	£63.34	66.30	....	—
Intl Fd May 16	£10.58	10.97	....	—
Fixed Int Fd May 16	£40.55	41.08	....	—
Index Linked May 16	£34.87	35.33	....	—
Prop Fd May 16	£55.02	56.72	....	—
Cash Fd May 16	12.2848	12.2848	....	—

Refuge Investments Limited
103 Oxford St., Manchester 061-236 9432

Managed	151.2	159.2	....	—
Property	128.6	135.4	....	—

Reliance Mutual
Reliance Hse, Tunbridge Wells, Kent. 0892 22271

Equity Fund	142.5	150.0	-5.8	—
Prop Fd. (1st Issue)	—	372.1	....	—
Prop Fd. (2nd Issue)	114.8	120.8	....	—
Managed Fd.	137.7	145.0	-5.0	—

Continued on adjacent Page

Royal Life Insurance Ltd.
New Hall Place, Liverpool L69 3HS 051-227 4422

Royal Shield Fd.	348.6	360.4	-3.2	—
Royal Life (Unit Linked Assurances) Ltd.				
Managed Fund	140.5	147.8	-1.3	—
Equity Fund	148.2	156.0	-1.6	—
Property Fund	125.3	131.8	-0.1	—
International Fund	170.2	179.1	-4.3	—
Gilt Fund	123.9	130.4	-0.3	—
Money Fund	106.8	112.4	+0.1	—
Royal Life (Unit Linked Pension Fds.) Ltd.				
Exempt Man. Fd.	126.6	133.2	-1.0	—
Exempt Equity Fd.	165.8	174.5	-2.4	—
Exempt Prop. Fd.	112.0	117.8	....	—
Exempt Intl. Fd.	207.1	217.9	-3.5	—
Exempt Gilt Fd.	110.7	116.5	-0.3	—
Exempt Money Fd.	110.2	115.9	+0.2	—

Save & Prosper Group
4, Gt St Helens, London EC3P 3EP. 0708-66966

Global Equity Fund (z)	79.8	83.7	-0.9	—
Bal. Inv. Fd.	255.5	270.4	-1.6	—
Property Fd.*	276.5	292.4	....	—
Gilt Fd.	217.2	229.9	-3.1	—
Deposit Fd.‡	188.1	199.1	....	—
Man. Pens. Fd.‡	523.4	553.9	....	—
EquityPens.Fd.	512.0	541.8	-7.2	—
Prop.Pens.Fd.*	613.4	649.2	....	—
AG Bond Fd (z)	64.4	68.2	....	—
Dep. Pen. Fd‡	196.0	207.5	....	—
Gilt Pens. Fd.	187.3	198.3	-2.7	—
Global Eq. Pens. Fd.	59.6	63.1	-0.8	—

*Prices May 16. ‡Weekly dealings.

Schroder Life Assurance Ltd.
Enterprise House, Portsmouth. 0705 827733

Equity	496.2	522.4	-1.6	—
Fixed Interest	240.1	252.8	-1.0	—
Managed	270.9	285.3	-0.8	—
Deposit	177.7	187.2	+0.1	—
Overseas	169.5	178.5	+1.3	—
Property	274.6	289.1	....	—
American	169.0	178.0	+0.2	—
Australian	116.5	122.7	-4.1	—
European	167.1	176.0	-0.2	—
Gilt & Fxd Int.	134.1	141.2	+0.1	—
Income Accum	213.8	225.2	+1.6	—
Income Distrib	172.1	181.3	-1.0	—
International	165.1	173.9	+0.8	—
Japan Smaller Co's	98.2	103.4	+1.0	—
Singapore & Malay	140.7	148.2	+2.5	—
Smaller Co's	214.9	226.3	-3.2	—
Tokyo	179.3	188.8	+3.4	—
U.K. Equity	197.7	208.2	-1.4	—
CCM Vanguard Mngd	211.4	222.6	-2.4	—
Equity Pension	281.7	296.6	-1.2	—
Fxd Int Pension	190.9	201.0	-0.3	—
Guaranteed Pens.	109.4*	115.3	+0.1	—
Index-Linked Pens	92.0	97.0	-1.6	—
Managed Pension	649.9	684.2	-2.5	—
Deposit Pension	107.3	113.0	....	—
Overseas Pension	167.7	176.6	....	—
Property Pension	239.3	251.9	....	—
Special Ex Pension	169.2	178.2	-0.4	—

Prices are for Life Series 4 Accum; Pension Series C Accum (May 25)

Scottish Amicable Investments
150 St Vincent St, Glasgow 041-248 2323

Equity	185.1	194.9	-2.0	—
Fixed Interest	139.8	147.2	-0.2	—
International	170.1	179.1	-2.4	—
Property	116.2	122.4	....	—
Cash	117.0	123.2	....	—
Index Linked Gilt	97.8	103.0	-0.2	—
Managed	163.4	172.0	-1.1	—
Exempt Eq. Init.	142.3	149.8	-1.5	—
Do. Accum	163.5	172.2	-1.7	—
Exempt Fxd. Int. Init.	126.4	133.1	-0.1	—
Do. Accum	145.4	153.1	....	—
Exempt Intnl. Init.	129.0	135.8	-1.9	—
Do. Accum	148.2	156.1	-2.2	—
Exempt. Prop. Init.	94.1	99.1	....	—
Do. Accum.	108.1	113.8	....	—
Exempt Cash Init.	103.3	108.8	....	—
Do. Accum.	118.8	125.1	....	—
Exempt Man. Init.	131.1	138.0	-0.8	—
Do. Accum	150.6	158.6	-1.0	—

Scottish Equitable Life Assce. Soc.
31, St Andrew Sq., Edinburgh. 031 556 9101

Mixed	161.3	169.8	-1.1	—
Equity	161.6	170.2	-2.1	—
Property	105.4	111.0	+0.1	—
Fixed Interest	110.1	115.9	+0.3	—
International	180.2	189.7	-1.9	—
Index Linked	94.0	99.0	....	—
Cash	107.61	113.27	+0.02	—

Scottish Mutual Assurance Society
109 St. Vincent St., Glasgow 041-248 6321

Fyes End May 15	495.5	510.8	....	—
Pen Mngd April 30	362.4	373.6	....	—

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU 031-655 6000

Inv Pol 1 May 18	282.2	282.2	....	—
Inv Pol 2 May 18	262.3	276.2	....	—
Inv Pol 3 May 18	259.6	273.3	....	—
Inv Cash May 18	153.4	161.5	....	—
Mixed Fund	150.5	158.5	-2.4	—
Equity Fund	163.3	172.0	-3.4	—
Property Fund	119.5	125.9	....	—
International Fund	130.4	137.3	-2.0	—
Fixed Int. Fund	144.2	151.9	-2.5	—
Index Stk. Fd.	99.9	105.2	-2.2	—
Cash Fd	114.4	120.5	....	—
Pens. Mixed Fd. Ord.	169.2	178.3	-2.9	—
Pens. Equity Fd. Ord.	177.7	187.2	-3.6	—
Pens. Prop. Fd. Ord.	129.4	136.3	....	—
Pens Intnl Fd Ord	145.6	153.4	-2.5	—
Pens. Fxd.Int. Fd.Ord.	164.4	173.1	-2.6	—
Pens IndStkFdOrd	102.0	107.5	-2.2	—
Pens Cash Fd Ord	128.9	135.8	....	—
PM Man May 24	736.3	736.3	-3.3	—
PM Gilt Ex May 24	748.3	748.3	-3.6	—
PM Prop May 24	128.3	128.3	....	—
PM Cash May 24	140.3	140.3	....	—
Ex Unit Acc May 16	353.8	365.3	....	—
Ex Unt Inc May 16	244.3	252.3	....	—

Skandia Life Assurance Co Ltd
Frobisher House, Southampton 0703-334411
Continued on adjacent Page

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ 031-225 2552.

Managed	210.7	221.8	-3.1	—
Property	157.0	165.3	....	—
Equity	257.1	270.7	-6.5	—
International	204.2	215.0	-0.5	—
Fixed Interest	168.1	177.0	-1.4	—
Index Linked	95.6	100.7	-1.6	—
Cash	134.9	142.0	....	—
Pension Managed	252.8	266.2	-2.4	—
Pension Property	161.5	170.1	....	—
Pension Equity	318.1	334.9	-4.2	—
Pension Intl.	246.5	259.5	-1.2	—
Pension Fxd. Int.	177.9	187.3	-1.5	—
Pension Index Linked	96.2	101.3	-1.7	—
Pension Cash	154.6	162.8	+0.1	—

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

	Series (2)		....	(1) Bid
Managed Fund	245.1	258.0	-2.0	245.7
Index Linked Fund	110.1	115.9	-1.3	110.9
Equity Fund	311.0	327.4	-2.6	311.9
Fixed Interest Fund	198.1	208.6	-0.1	198.6
Property Fund	222.1	233.9	....	222.8
International Fd.	186.5	196.4	-2.9	186.9
Deposit Fund	148.3	156.2	....	148.6
Int Bond May 22		22.52		

Series (2) Prices are for policies issued after 11/7/1982.
Series (1) These are bid prices for earlier policies.

Individual Pension Funds				
Managed	157.4	165.7	-1.4	—
Index Linked	128.4	135.2	-1.1	—
Equity	159.5	167.9	-2.0	—
Fixed Int.	165.2	173.9	-0.5	—
Property	121.1	127.5	....	—
International	157.1	165.4	-2.9	—
Deposit	118.7	125.0	....	—

*Group Pension funds—Prices available on request.

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400

Maple Leaf Plans				
Growth Account	492.1	—	....	—
Managed Account	288.9	—	....	—
Equity Account	343.8	—	....	—
Managed Fd. Accum.	138.3	145.6	....	—
Equity Fd. Accum.	156.7	165.0	....	—
Property Fd. Accum.	110.4	116.2	....	—
Fixed Int. Fd. Accum.	126.8	133.5	....	—
Intnl. Fd. Accum	164.2	172.9	....	—
Money Fd. Accum	109.1	114.9	....	—
Index-Ld.Scs.Fd.Accm.	104.5	110.1	....	—
Pension Plans				
Pers. Pens. Account	507.5	—	....	—
Pens.Mgd.Acc.Accm.	236.3	248.8	....	—

Sun Life Unit Assurance Ltd.
St James Barton, Bristol BS1 3TH. 0272 426911

Managed Cap.	240.3	253.0	-1.3	—
Managed Acc.	275.2	289.7	-1.4	—
Property Cap	163.5	172.2	....	—
Property Acc.	189.4	199.4	....	—
Equity Cap.	308.4	324.7	-3.1	—
Equity Acc.	357.2	376.1	-3.6	—
Fixed Interest Cap.	146.7	154.5	....	—
Fixed Interest Acc.	170.1	179.1	+0.1	—
Cash Cap.	134.0	141.1	....	—
Cash Acc.	155.0	163.2	....	—
International Cap	180.1	189.6	....	—
International Acc.	207.5	218.5	....	—
American Cap.	130.4	137.3	-2.0	—
American Acc.	150.7	158.7	-2.4	—
Far Eastern Cap.	187.0	196.9	-1.3	—
Far Eastern Acc.	215.8	227.2	-1.4	—
Distribution	138.7	146.1	-1.3	8.72
Sun Life Pensions Management Ltd. (funds for individual pension contracts)				
Pens. Managed Cap.	218.5	230.0	-1.4	—
Pens. Managed Acc.	252.2	265.5	-1.4	—
Pens. Property Cap.	124.5	131.1	....	—
Pens. Property Acc.	143.6	151.2	+0.1	—
Pens. Equity Cap.	261.5	275.3	-2.0	—
Pens. Equity Acc.	301.0	316.9	-2.3	—
Pens. F. Interest Cap.	132.6	139.6	-0.1	—
Pens. F. Interest Acc.	152.7	160.8	-0.1	—
Pens. Cash Cap.	130.2	137.1	....	—
Pens. Cash Acc.	148.8	156.7	....	—
Pens. Intnl. Cap.	201.4	212.0	-1.1	—
Pens. Intnl. Acc.	231.2	243.4	-1.2	—
Pens. American Cap.	102.3	107.7	-1.5	—
Pens. American Acc.	117.7	123.9	-1.7	—
Pens. Far Estrn. Cap.	269.2	283.4	-6.0	—
Pens. Far Estrn. Acc.	308.4	324.7	-6.7	—

Target Life Assurance Co. Ltd.
Target House, Gatehouse Road, Aylesbury, Bucks.
Aylesbury (0296) 5941

Managed	253.5	266.9	-3.5	—
Property	225.8	237.7	....	—
Fixed Int.	150.1	158.1	-0.1	—
UK Equity	245.9	258.9	-3.9	—
Int. Equity	205.9	216.8	-2.4	—
Deposit	134.9	142.0	....	—
American Eagle	91.5	96.4	-2.0	—
Technology	79.3	83.5	-0.4	—
U.S. Special Bond	112.6	118.6	....	—
Pacific	96.4	101.5	-2.4	—
Australian	112.6	118.6	-2.3	—
Japan	140.9	148.4	-1.6	—
Malaysia & S'pore	134.1	141.2	+1.9	—
Commodity	128.6	135.4	-0.5	—
Energy	99.6	104.9	-1.9	—
Gold	143.5	151.1	+3.6	—
Financial	116.8	123.0	-1.5	—
Income	140.4	147.8	-1.6	—
Special Situations	170.5	179.5	-3.7	—
Preference	98.4	103.6	....	—
Managed Currency	74.5	78.5	+0.2	—
Sterling	—	—	....	6.5
Pension Funds				
Managed Pension	629.3	662.5	-0.6	—
Gilt Pens.	271.2	285.5	-1.2	—
Property Pens.	274.6	289.1	....	—
Equity Pens.	262.1	275.9	-5.4	—
American Pens.	75.9	79.9	-1.6	—
Technology Pens.	81.5	85.8	-0.4	—
Japan Pens.	109.8	115.6	-3.3	—
Australian Pens.	92.1	97.0	-2.3	—
Commodity Pens	101.4	106.8	-0.5	—
Energy Pens	110.2	116.0	-1.8	—
Gold Pens	105.8	111.4	+2.7	—
Index-L. Plan	103.5	109.0	-1.2	—
Guar. Pen.	193.9	204.2	....	—
Currency Pens.	99.9	105.2	+0.3	—

Prices quoted are for Accumulation units.

Transinternational Life Ins. Co. Ltd.
55-57, High Holborn, WC1V 6DU. 01-831 7481

Series 2 Man. Fd.	187.9	197.7	....	—
Series 2 Equity Fd.	231.0	243.1	....	—
Series 2 Prop. Fd.	172.5	181.5	....	—
Series 2 Fixed Int. Fd.	181.9	191.4	....	—
Series 2 Money Fd.	132.7	139.6	....	—
Series 2 O'seas Fd.	167.7	176.5	....	—
Tulip Invest. Fd.	367.7	387.1	....	—
Tulip Managed Fd.	260.2	273.8	....	—
Managed Inv. Fd. Int.	187.1	196.9	....	—
Managed Inv. Fd. Acc.	213.7	224.9	....	—
Man. Pen. Fd. Cap.	288.9	304.0	....	—
Man. Pen. Fd. Acc.	366.1	385.3	....	—

Trident Life Assurance Co. Ltd
London Road, Gloucester. 0452 500500

Managed	219.2	230.8	-1.0	—
Gtd. Mgd.	229.1	241.2	....	—
Property	280.0	294.8	....	—
American	183.1	192.9	-2.5	—
U.K. Equity Fund	227.3	239.4	-1.6	—
High Yield	260.7	274.5	....	—
Gilt Edged	194.4	204.8	....	—
Money	194.8	205.2	....	—
International	157.7	166.1	-0.7	—
Fiscal	220.1	231.8	....	—
Growth Cap.	214.3	225.7	....	—
Growth Acc.	255.9	269.4	....	—
Pens. Equity Acc.	278.5	293.3	....	—
Pens. Mngd. Acc.	292.2	307.6	....	—
Pens Gilt Edgd Acc.	215.1	226.5	....	—
Pens. Dep. Acc.	208.6	219.7	....	—
Pens. Pty. Acc.	277.0	291.7	....	—
Swiss Bond Fund	101.9	107.4	....	—
Woolwich Fund	103.3	108.8	....	—
Tri Inv. Bond	76.2	80.4	....	—

TSB Life Ltd.
See adjacent Page

Tyndall Assurance/Pensions
18, Canynge Road, Bristol. 0272 732241

3-Way	—	232.8	....	—
Do. Pens.	—	338.8	....	—
Equity	—	334.5	....	—
Bond	—	280.3	....	—
Property	—	186.1	....	—
Overseas Inv.	—	150.0	....	—
UK Inv.	—	318.3	....	—
Deposit	—	196.2	....	—
Man. Pen. 3-W	—	376.2	....	—
Equity Pen.	—	616.2	....	—
Bond Pen.	—	360.6	....	—
Prop. Pen	—	122.8	....	—
Dep. Pen	—	258.8	....	—
New Series				
U.K. Equity	163.9	172.6	....	—
Nth. American Eq.	134.2	141.3	....	—
Far East Eq.	183.0	192.7	....	—
Fixed	136.7	143.9	....	—
Cash Deposit	107.2	112.9	....	—
Property	98.6	103.8	....	—
Special Opp.	188.4	198.4	....	—
Managed	154.5	162.7	....	—
Index Linked Fund	102.8	108.3	....	—
Pension New Series				
UK Equity	158.0	166.4	....	—
(Accum Units)	168.5	177.4	....	—
North American	130.0	136.9	....	—
(Accum Units)	138.7	146.0	....	—
Far Eastern Equity	173.0	182.2	....	—
(Accum Units)	184.5	194.3	....	—
Fixed Interest	130.7	137.6	....	—
(Accum Units)	139.4	146.8	....	—
Cash Deposit	105.4	111.0	....	—
(Accum Units)	112.4	118.4	....	—
Property	96.9	102.1	....	—
(Accum Units)	103.4	108.9	....	—
Index-Linked	99.8	105.1	....	—
(Accum Units)	106.4	112.0	....	—
Managed	148.9	156.8	....	—
(Accum Units)	158.8	167.2	....	—

Vanbrugh Life Assurance
41-43 Maddox St., Ldn. W1R 9LA 01-499 4923

Managed Fd.	293.9	309.4	....	—
Equity Fd.	535.6	563.8	-7.7	—
Intnl. Fd.	214.5	225.8	....	—
Fixed Int. Fd.	256.8	270.4	-0.9	—
Prop. Fd.	220.8	232.5	....	—
Cash Fd.	181.8	191.4	....	—

Vanbrugh Pensions Limited
41-43, Maddox St., Ldn. W1R 9LA 01-499 4923

Managed	251.9	265.2	-2.0	—
Equity	324.0	344.6	-3.4	—
Global Equity	101.1	106.5	-1.4	—
Fixed Interest	217.6	229.1	-1.0	—
Property	197.6	208.1	....	—
Index Linked Gilt	102.3	107.7	-2.3	—
Guaranteed	9.37		....	—
International Money	124.5	131.1	+0.7	—

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144

Investor Units	164.1	172.7	....	—
Accum. Pen. Units	288.6	303.8	....	—
Flex. Inv. Growth	169.2	178.1	....	—

Continued on adjacent Page

OFFSHORE AND OVERSEAS

Adig Investment
Postfach 708, 8000 Munich 1, Telex 524269

Adirenta	DM22.61	23.29	-0.02	—
Adiverba	DM79.78	83.69	-1.01	—
Fondak	DM38.12	40.03	-0.35	—
Fondis	DM33.23	34.89	-0.43	—

Albany Fund Management Limited
P.O Box 73, St. Helier, Jersey. 0534 73933

Albany $ Fd. (CI)	$219.83	223.68	-12.17	1.20

For Allen Harvey & Ross see Cater Allen

Alliance International Dollar Reserves now Alliance Capital Management International
See adjacent Page

Arbuthnot Securities (C.I.) Ltd. (a)(c)(h)
P.O. Box 428, St. Helier, Jersey. 0534 76077

Dollar Income Tst (z)	$0.958	1.004	-0.005	11.95
Gov't Secs. Tst.	76.6	80.3	....	12.65
Yen Bond*	Y195	204	....	5.88
Sterling Fd.†	165.1	165.2	....	0.30
Japan Growth	185.9	198.9	....	0.01

Next dealing *May 31. †May 30.

B.I.A. Bond Investments AG
10, Baarerstrasse CH6301, Zug, Switzerland

Barer Shd May 18	SF10,830	11,400	....	—

Baerbank (Overseas) Ltd.
Butterfield House, Grand Cayman

Liquibaer J. Baer SFd.	1,169	1,170	+2	—

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G.D.

Wldinvest Inc.	$116.39	116.99	....	11.66

Valued weekly on Wednesdays.

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Unigilt Trust	83.4	85.2	-0.8	11.10
Unidollar Trust	$14.35	15.21	....	1.10
Unibond Trust	$90.14	80.83xd	....	11.20
1, Thomas St., Douglas, Isle of Man 0624 25252				
Uni-Australian Tst	78.0	83.0	....	1.30
Uni-Aust. Mineral Tst.	61.6	65.5xd	....	1.60
Uni-Pacific Trust	175.6	186.9	....	—
Uni-International Tst.	72.2	76.9	....	0.50

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M 0624-23911

ARMAC* May 8	$51.15	54.39	....	—
COUNT** May 8	£3.523	3.736	....	1.41
CANRHO**May 8	£2.536	2.690	....	—

Original issue. *$10 and **£1. Next val. June 4.

Bridge Management Ltd.
GPO Box 590, Hong Kong

Nashi My 15 (10for1)	Y4,690	4,810	....	4.619
Nippon Fd May 23	$28.24	30.13	....	1.00

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street,
St. Helier, Jersey, C.I. 0534-73114

U.S. Dollar Denominated Funds				
AmSmallerCos. Fd.	$1.829	1.967xd	-0.031	—
Dollar Inc Fd.	$0.785	0.840	-0.001	11.00
$ Mngd Curr'cy Fd	$9.25	9.74	+0.01	5.50
Intl High Inc	$2.029	2.143	....	—
Gold Fund	$1.064	1.261	+0.026	4.57
Jap Dollar Perf.	$0.875	0.941	-0.021	—
Normandie In $Fd.	$10.89	11.72	....	—
Universal Grwth Fd.	$0.856	0.920	-0.051	—
World of Leisure	$0.896	0.963	-0.022	—
World of Tech	$0.720	0.772	-0.004	—
Managed Portfolio	$0.870	0.941	-0.003	—
Sterling Denominated Funds				
American Invests	85.9	92.4xd	-2.0	1.04
Australian Perf Fd	76.9	82.7	-1.3	—
Far East Fund	106.9	114.9	-1.8	1.00
Jersey Energy Tst	15.2	16.3	-0.2	—
Jersey Gilt	20.5	21.8xd	-0.1	12.61
UK Growth Fund	56.1	60.3	-0.6	2.99
USM Fund	141.6	152.3xd	-2.2	0.98
Managed Portfolio	0.898	0.971	-0.004	—
Sterling Deposit Funds				
Mngd Currency (Inc)	£13.64	14.36	....	4.5
Cap Dep Tst	£16.71	16.72	....	0.25
Britannia Fund Managers I.o.M.				
Gilt Trust (I.O.M.)	93.6	96.5xd	....	12.12

All Jersey Funds Deal Daily Except **Tuesday Weekly-Capital Return 8.00%.

Brown Shipley Tst. Co. (C.I.) Ltd.
P.O. Box 583, St. Helier, Jersey. 0534 74777

Sterling Bond (h)	£10.20	10.26	....	11.23

Continued on adjacent Page

Butterfield Management Co. Ltd.
P.O. Box 195, Hamilton, Bermuda.

Buttress Equity	$4.91	5.18	....	1.23
Buttress Income	$3.03	3.19	....	11.09

Prices at May 8. Next sub day June 6

CAL Investments (I.o.M) Limited
CAL Investments (Bermuda) Limited
See adjacent Page

Capital International Fund S.A.
43 Boulevard Royal, Luxembourg

Capital Int. Fund		$32.33	....	—

Cater Allen Investment Management (C.I.)
29a Broad St., St Helier, Jsy, C.I. 0534 78898

CA Dollar Inc Fd	$10.01	10.04xd	....	11.55
CA Gilt Edg Fd	£12.38	12.43xd	....	10.30

Charterhouse Japhet
1 Paternoster Row, EC4 01-248 3999

Emperor Fund	$8.32	8.75	....	—
Hispano	$38.61	40.56	....	5.56

Charterhouse Japhet Currency Mngt. Ltd.
P.O. Box 189, St Helier, Jersey 0534 74689

Central Assets Currency Funds Ltd.				
US$	12.19	—	....	—
£ Sterling		12.53	+0.01	—
D Marks		44.51	+0.01	—
Sw Francs	41.27	—	+0.04	—
Fr Francs	132.56	—	+0.04	—
SDR's	302.55	—	+0.06	—

For Chandon Commodities (I.o.M.) see Normandy Trust Managers

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey

Intl Man Fd April 25	350.5	381.0	....	—

Cortexa International
10a, Boulevard Royal, Luxembourg.

Cortexa Intnl.	$97.10	—	-0.19	—

Craigmount Fixed Int. Mngrs. (Jersey)
P.O Box 195, St. Helier, Jersey. 0534 27561

Gilt Fund (Jsy.)	86.8	86.7xd	....	11.00

Valued weekly Wednesday.

DWS Deutsche Ges. F. Wertpapiersp
Gruneburgweg 113, 6000 Frankfurt

Investa	DM39.72	41.70	-0.40	—

Delta Group
P.O. Box 3012, Nassau, Bahamas

Delta Inv May 22	$4.21	4.42	-0.13	—

London Agents. Kleinwort Benson. Tel: 01-623 8000

Deutscher Investment-Trust
Mainzer Landstrasse 11-13, 6000 Frankfurt

Concentra	DM21.52	22.06	....	—
Int. Rentenfonds	DM71.82	73.62	....	—

Drexel Burnham Lambert
77, London Wall, London, EC2. 01-628 3200
Winchester Diversified Ltd. NAV April 30 $20.24.
Winchester Financial Ltd. April 30 $8.31
Winchester U.S. Reserves Ltd. Current yield 10.20.
Finsbury Group Ltd NAV (May 18) $100.82.

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.

NAV	$28.94	30.79	....	—

Duncan Lawrie Inv. Mgt. Ltd.
Victory Hse, St Peter Port, Guernsey. 0481 28034

DL Sterling	63.3	66.5	....	5.6
DL International	$1.31	1.39	....	3.3

The English Association
4 Fore Street, EC2. 01-920 9120

E. A. Income Fd.*	59.4	62.6	....	10.54
E. A. Sterling*	£88.92	88.93	....	—
E.A. Equity*	70.7	74.8	....	—
Wardgate Cm. Fd.**	£17.90	18.62	....	2.69

*Next dealing May 16. **Next dealing May 31.

Ermitage Management Ltd.
Grenville Hse., St. Helier, Jersey, C.I. 0534 76007.

External Fund	$16.79	—	....	—
Cash Fund	£18.55	—	....	—

Eurobond Holdings N.V.
Pietermaai 15, Willemstad, Curacao.
London Agents: Intel 1/3 Worship St., London EC2
Tel: 01-638 6011. Telex: 8814408.

Euro Hldgs.	$18.00	18.54	....	—

S.G. Europe Obligations S.A.
9, Avenue de la Liberte, Luxembourg
London Agent. FFS, Salisbury Hse, London Wall
EC2M 5TA. Tel. 01-920 0776 Telex 887281

Europe-Obligations	$42.84	—	....	1.26

Eurotax Investments Ltd.
1, Athol St., Douglas, Isle of Man.
UK Agents FIS, St. Albans. 0727 33166

Eurotax In Fd.	106.1	111.7	....	—

Executive Life (C.I.F. Managers Ltd.)
P.O. Box 1063 Grand Cayman B.W.I.

Trans Atlntc Gwth Fd	$11.60	—	....	—

F & C Mgmt. Ltd. Inv. Advisers
1, Laurence Pountney Hill, EC4. 01-623 4680

F & C Atlantic May 23		$11.01	-0.51	1.36
F & C Europn May 22		$10.03	+0.08	—
F & C Oriental May 23		$25.72	-1.44	0.70

Weekly dealings.

Fidelity International.
9 Bond Street, St. Helier, Jersey, CI. 0534 71696.
Dealers. 33201. P O. Box 670, Hamilton, Bermuda.

American Assets(z)	$56.02	58.82	....	1.00
Australia (z)	$9.53	10.01	....	—
Far East (z)	$36.98	38.83	+1.16	0.54
Frontier (z)	$10.72	11.26	-0.20	—
International (z)	$49.00	51.45	....	0.61
Orient Fund (z)	$29.10	30.56	+0.89	—
Pacific (z)	$129.94	136.44	....	0.27
Special Growth (z)	$14.62	15.35	+0.30	—
World (z)	$26.43	27.75	-0.26	1.46
Gilt Fund (z)	24.3	24.9	-0.3	10.8
American Inc. Tst. (z)	75.3	79.7	-1.3	7.4
Intnl. Inc. Tst. (z)	70.7	74.8	-1.3	7.6
$ Fixed Int. Tst. (z)	48.8	50.9	-0.4	13.6
Sterling American (z)	70.8	74.5	-1.3	—

Continued on adjacent Page

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg

Fleming		$75.19	....	—

Frankfurt Trust Investment—GmbH
Wiesenau 1, D-6000 Frankfurt

FT-Interzins	DM40.60	41.82	-0.01	—
Frankft. Effekt. Fd.	DM76.22	80.23	+0.20	—

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.

NAV March 31		$185.17	....	—

G. T. Management (U.K.) Ltd.
Park Hse., 16 Finsbury Circus.
Tel: 01-628 8131. Tlx. 886100.

London Agents for:				
Anchor Gilt Edge	£9.33	9.37	-0.06	11.53
Anchor Int. Fd.	$8.08	8.09	....	1.24
Berry Pac Fd.		$9.26	....	0.70
Berry Pac Strlg.	£8.17	8.5996	....	0.91
GT Applied Science Fd.		$15.04	-0.38	—
G.T. Asia Fd.		$3.93	....	1.01
G.T. Asia Sterling	£43.07	45.25	....	1.16
G.T. Australia Fd.		$28.64	....	—
G.T. Bond Fund		$10.33	-0.01	8.81
G.T. Dollar Fd		$13.70	-0.44	1.09
G.T. Dir. (Strlg.) Fd.	£21.04	22.11	-1.01	1.18
GT Europe Fund		$9.51	-0.14	—
G.T. Global Tech Fd		$12.34	-0.33	—
G T Honshu Pathfinder.		$22.27	+0.58	—
G.T. Invest. Fd.		$17.43	-0.06	0.57
G.T. Japan Small Cos.		$35.57	....	—
G.T. Technology Fd.		$24.75	-0.48	—
G.T. Pacific Fd.		$16.65	+0.20	2.16
G.T. Asean HK Growth.		$12.33	+0.12	2.43
G.T. S China Fd $		$11.40	-0.21	0.57

Gartmore Fund Managers Ldn. Agents
2, St. Mary Axe, London, EC3. 01-623 1212

Gartmore Fund Managers (C.I.) Ltd. (a) (h)				
41, Broad St., St. Helier, Jersey. 0534-73741				
Gilt Fund (Jersey) Tue.	84.0	89.0	....	10.2
Gartmore Fd Managers (Far East) Ltd(a)(b)				
1608 Hutchison Hse, 10 Harcourt Rd., H. Kong.				
Australia Tst.....Mon.	$6.178	6.643	....	1.30
Japan Fd.........Tue.	$32.072	34.487	....	0.6
N. American Tst. Wed	$21.646	23.272	....	0.60
Intl Bond Fund...Thu.	$9.194	9.687	....	7.00
HK & Pac. U. Tst. Fri.	HK$7.555	8.086	-0.224	2.60

Gartmore Fund Managers (IOM) (a)
P.O Box 32, Douglas, Isle of Man Tel. 0624 23911

Intl. Inc. ......Thu.	19.6	20.9	....	—
Intl. Grth. ......Thu.	234.8	249.8	....	0.60

Assicurazioni GENERALI S.p.A.
P.O. Box 132, St. Peter Port, Guernsey, C.I.

Sterling Managed Fd.	£158.19	166.52	....	—
Dollar Mngd. Fnd	$150.87	158.81	....	—

Granville Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933

Granville Inv Tst.	£10.52	11.16	....	2.69

Next dealing day June 13

Grindlay Henderson Mngt Ltd.,
P.O. Box 414, St Helier, Jersey. 0534 74248.
See adjacent Page

Guinness Mahon Int. Fund (Guernsey)
PO Box 188, St. Peter Port, Guernsey. 0481 23506.

U.S. $ Price (Part.)	$19.74	20.32xd	....	—
£ Sterling Equivalent	£14.34	14.79xd	....	—
U.S. $ Price (Accum.)	$21.97	22.61	....	—
£ Sterling Equivalent	£15.95	16.44	....	—
Guinness Mahon Distrib. Fund (Guernsey)				
U.S. $ Price	$19.85	20.43	....	—
£ Sterling Equivalent	£14.42	14.83	....	—

Prices at May 24. Next dealing May 31.

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong

Australian Fd May 21	—	$5.00	....	1.0
Far East May 23	$4.00	4.31	....	—
Japan Fund May 25	$17.50	18.72	+0.10	—

Hambros Fd. Mgrs. (C.I.) Ltd.
P O. Box 86, Guernsey. 0481-26521

Capital Reserve Fund	17.71	17.73	....	0.23
C I Fund	383.1	408.0xd	....	2.13
Special Sits. Fund	154.8	163.0	....	1.90
Sterling Income Fund	106.9	111.6xd	....	10.75
Dollar Income Fund	$0.975	1.019xd	....	11.78
Grofund Int.	$1.120	1.179xd	....	1.87
Intnl. Bond	$99.20	104.68	....	10.67
Int. Equity	$20.85	21.53	....	0.56
Int. Svgs. 'A' $US	$1.67	1.76	....	—
Int. Svgs. 'B'	$2.29	2.41	....	—
Amer Spec Accts	$0.86	0.91	....	—
Amer. Equity Inc.	47.6	50.1	-0.5	6.49

Henderson Admin. & Man. (Guernsey)
PO Box 71, St. Peter Port, Guernsey 0481 26541

American (US cents)	139.1	147.4	....	—
Nat Res. (U.S. cents)	125.3	133.2	....	—
Gilt Fund	£10.02	10.62	....	11.77
Prime Res. Props.	£1.05	1.12	....	0.55

Henderson Baring Group
1901, Edinburgh Tower, Hongkong.

Australia	$9.38	10.10	-0.90	1.80
Hong Kong	$9.79	10.50	-0.24	3.25
Japan Tech.	$28.51	30.46	....	—
Japan Fund	$39.77	42.49	....	0.21
Malay Sing.	$20.51	22.04	....	1.00
Pacific Fd	$14.312	15.027	....	1.37
Pacific Intl Fd	$9.97	10.47	....	—
Bond Fd.	$10.563	11.091	-0.005	10.80

Hill-Samuel & Co. (Guernsey) Ltd.
8 Le Fevre St., St. Peter Port, Guernsey, C.I

Guernsey Tst.	315.8	334.2xd	-3.0	2.65

Hill Samuel Investment Mgmt. Intnl.
P O. Box 63, Jersey. 0534 76029

UK Equities (C.I. Fd.)	220.4	233.4xd	....	2.91
UK Gilt Lty. Fxd. Int.)	108.0	115.0	....	10.06
Int. Man. (Growth Fd.)	174.7	189.8	....	—
Int. Currency Fund				
D. Mark		DM43.87	+0.02	—
£ Sterling		£11.84	+0.01	—
Swiss Franc		SF36.35	+0.02	—
Jap Yen		Y3,601	+1.0	—
U.S.$		$23.74	+0.03	—
Managed Fund	£13.14	13.80	+0.07	—
Box 2622, Berne, Switzerland. Telex 33425				
H.S. Overseas Fd.	$24.32	25.54	-0.41	—
Balanced (CSF Fund)	SF23.74	25.45	+0.05	—
Far East (Crossbow)	SF8.95	9.59	-0.04	—
Technology (ITF Fd)	$15.42	16.56	-0.24	—

I.C. Trust Managers Ltd.
10, St. Georges St., Douglas, IoM 0624 25015

Int. Commodities Tst.	130.3	138.1	....	—

Next dealing day June 6.

IGF Management Group
See adjacent Page

N.V. Interbeheer
PO Box 85690, The Hague, Holland

Esmeralda(OfferPce)	DFL100.2	—	-1.07	2.29

International Bond Trust
2, Boulevard Royal, Luxembourg

CES NAV May 24	$10.25	—	+0.02	—
CIS B May 24	$13.71	—	+0.04	—

Invicta Investment Management
29a Broad St, St Helier, Jsy, CI. 0534 77522

Gilt Growth Fund	£14.14	14.82	....	3.37
Gilt Income Fund	£9.23	9.64xd	....	12.25
Gilt & Futures Fund	£951	1,003	....	7.98

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong

J F. Japan Tst.	Y4,079	4,382	....	0.4
J F. Japan Small Co.	Y25,293	26,201	....	—
J F. Japan Technology	Y18,002	19,237	....	—
J F. Eastern Tst	HK$850.65	890.19	....	2.3
J.F Pac. Secs. (Inc.)	$5.42	5.83	....	0.10
Do (Accum.)	$6.37	6.85	....	—
J.F. Intnl. Tst.	$5.84	6.24	....	0.5
J F. Stn. Est. Asia Tst	$26.37	28.19	....	0.3
Japan & Pacific CnvTst	$17.59	18.71	....	3.6
Australia Tst.	$6.00	6.42	....	—

NAV May 21 Next dealing May 28.
London Agents: Robt. Fleming & Co Tel. 01-638 5858.
Continued on adjacent Page

Leopold Joseph & Sons (Guernsey)
Albert Hse, St Peter Port, Guernsey. 0481 26648.

L J & S Currency Fund				
Telephone Manager for latest prices.				
L. J. Internat. Fd.	£13.16	13.37	....	—
L. J. Sterling Fund	£17.82	17.83	....	—

Kleinwort Benson Group
20, Fenchurch St., EC3. 01-623 8000

Guernsey Inc.	131.9	146.4xd	....	3.60
Do. Accum.	202.3	221.3	....	3.60
K.B. Eurobond Inc	£16.07	16.22	....	6.60
K.B. Eurobond Fd. Acc	£17.85	18.02	....	6.60
K.B. Far East (Gnsy.)	£12.45	12.89	....	—
K.B. Gilt Fund	£11.20	11.25xd	-0.06	10.63
K.B. Intl. Fund	£19.30	—		2.07
K.B. Japan Fund	$69.71	—		0.50
K.B. Sterl. Asset Fd.	£16.715	16.725xd	....	—
KB US$ Money Mkt Fd	$1.0209	1.0210	....	8.53
Pinechurch US Gwth	$7.17	—		0.68
Signet Bermuda		$8.66	-0.06	2.18
Transatlantic Fd.	$51.31	—	-0.34	1.72

Korea International Trust
Fund Man.: Korea Invest. Trust Co Ltd.
c/o Vickers da Costa Ltd, King William Street,
London, EC4. 01-623 2494
NAV won 9,037.86. IDR value US$11,280.40.

The Korea Trust
Man: Daehan Investment Trust Co. Ltd.
1-518, Yoido-dong, Yongdungpo-Ku, Seoul, Korea
NAV (May 19) won 12,516 (US$15.62).

Lazard Brothers & Co. (Jersey) Ltd.
P.O. Box 108, St. Helier, Jersey, C.I. 0534 37361

Laz. Bros. Int. Cap.	$10.29	10.95	....	1.00
Laz. Bros. Int. Inc.	$1,111.86	1,150.47	....	10.00
Laz. Bros. Int. Acc	$1,396.99	1,438.90	....	10.00
Laz. Bros. Int. Asset		$102.7929	....	9.9
Laz. Bros. Int. Asset		$51.0805	....	7.0
Laz. Bros. Int. Asset		Y25,467.83	....	5.0
Laz. Bros. Int. Asset		DM255.7921	....	4.9
Laz. Bros. Int. Asset		SF202.1979	....	2.9
Laz. Bros. Stlg. Res.	£21.72	21.74	....	0.25

Continued on adjacent Page

Lloyds Bank (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561

Lloyd's Tst O'seas	132.9	141.3	....	0.85
Next dealing May 31.				
Lloyds Trust Gilt	10.00	10.01	....	12.04

Next dealing May 30.

Lloyds Bank International, Geneva
P.O. Box 438, 1211 Geneva, Switzerland
See adjacent Page.

Lloyds Bank International, Guernsey
P.O. Box 136, Guernsey. 0481 24983

Alexander Fund	$13.57	—	....	—

Net asset value.

Louis Dreyfus Commodity Fund
c/o Trustee, P.O. Box 1092, Cayman Islands.
May 18. Valuation US$5,194.64.

M & G Group
Three Quays, Tower Hill EC3R 6BQ 01-626 4588

Atlantic Ex May 22	$7.59	8.07	....	—
Australian Ex May 23	$3.83	4.07	....	—
Gold Ex May 23	$49.61	53.35xd	....	2.14
(Accum. Units)	$79.04	84.99	....	2.14
Island	284.2	299.2	-3.7	2.74
(Accum Units)	489.0	514.8	-6.5	2.74

Management International Ltd.
Bk. of Bermuda Bldg., Bermuda. 809-295-4000
See adjacent Page

Manufacturers Hanover Asset Mgt.
PO Box 92, St. Peter Port, Guernsey. 0481 23961
See adjacent Page

Midland Bank Tst. Corp. (Jersey) Ltd.
28-34, Hill St., St. Helier, Jersey. 0534 36281

Mid. Bk. O'shore Gilt.	100.8	101.2	-1.6	11.86
Midland Bk Int Bd	$1.08	1.09xd	....	7.57

Minerals, Oils Res. Shrs. Fd. Inc.
PO Box 194, St. Helier, Jersey. 0534 27441

Mores May 24	$12.81	13.20	....	3.11

Samuel Montagu Ldn. Agents
114, Old Broad St., EC2 01-626 3434

MontAmer Eq Inc (z)	85.8	90.2xd	+0.5	5.83
MontJapan Inc (z)	61.8	64.9	-0.1	2.97
Mont Stg May 23	14.41	14.42	....	—
Mont Int Cur May 23	$10.00	10.51	....	—

Continued on adjacent Page

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521

Hope St May 22	$68.56	73.43	....	—
Murray Fd May 24	$18.96	20.20	....	—
Pacific Fd May 23	$4.24	4.53	....	—

Nat. Westminster Jersey Fd. Mgrs. Ltd.
23/25 Broad St., St. Helier, Jersey. 0534 70041

High Inc Fd (a)(b)	51.5	53.0	....	11.32
Equity Fd. (a)(b)	88.4	93.0	-1.0	2.03
Intnl. Bond Fd. (a)*	71.8	74.0	....	7.27

*Sub. day every Thurs.

Negit S.A.
10a Boulevard Royal, Luxembourg

NAV	$8.68	—	....	—

N.E.L. International Ltd.
P.O. Box 119, St. Peter Port, Guernsey, C.I.

Sterling Deposit	73.3	77.2	....	—
Sterling Fixed Interest	83.5	87.9	....	—
Sterling Managed	85.1	92.5	....	—
Intl. Fixed Interest	95.5	103.8	....	—
Intnl. Managed	98.0	106.5	....	—

Newport International Management
Bk. of Bermuda Bldg., Bermuda 809 295 4000

Npt. Intl. Securities	$15.58	—	-0.63	—
Npt. Intl. Inc. Fd.	$13.93	—	-0.09	—
Npt. Pacific	$11.36	—	-0.52	—

Normandy Trust Managers Ltd.
29, Athol Street, Dougla, I.o.M. 0624 29696

Normandy Metal Trust	£1.2516	1.3175	....	2.00
Normandy Com Tst	£1.6904	1.7794	....	2.00
Camb. Currency & Gd.	£1.0362	1.0908	....	2.05

Northgate Unit Tst. Mgrs. (Jersey) Ltd.
P.O Box 82, St. Helier, Jersey 0534 73741

Pacific Fd May 23	$11.96	12.87	....	—

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.

NAV		$16.28	+0.26	—

Inv. Adv.: M. & G. Inv. Mngt. Ltd., London.

Perpetual UT Mngrs (Jersey) Ltd
PO Box 459, St. Helier, Jersey 0534 74517

Offshore Gr	$1.179	1.254	....	1.00

Phoenix International
PO Box 77, St Peter Port, Guernsey. 0481 23539

Inter-Dollar Fund	$3.88	4.19	-0.11	—
Far East Fund	$3.29	3.55	-0.03	—
Intl. Currency Fund	$1.76	1.93	-0.01	—
Dollar Fxd. Int. Fund	$3.79	4.08	+0.01	—
Ster. Exempt Gilt Fd.	£2.34	2.52	-0.02	—

Providence Capitol International Ltd.
PO Box 121, St Peter Port, Guernsey 0481 26726/9

UK Stockmarket	£1.633	1.756	....	—
Intl. Stockmarket	$0.979	1.054	....	—
World Technology	$1.269	1.365	....	—
N Am. Stockmarket	$0.997	1.062	....	—
Far East	$1.052	1.132	....	—
UK Fixed Interest	£1.465	1.576	....	—
Intl Fixed Int.	$1.133	1.219	....	—
Intl Currency	$1.077	1.159	....	—
Intl Money Market	$1.128	1.214	....	—
U K Money Market	£1.076	1.158	....	—
Stlg. Mangd. Fd	£1.346	1.449	....	—
Dollar Mangd. Fd.	$1.139	1.225	....	—

Savings Target Rate £7.50/$9.00
Prices on May 23. Next dealing May 30.
For Quest Fund Man. (Jersey) see Royal Trust Intl. Mngt.

Quilter/Heinold Commodities
31-45, Gresham Street, EC2V 7LH. 01-600 4177

Resource Fund	$141.59	—	....	2.12

Next dealing date June 1.

Rea Brothers (IoM) Ltd
29 Athol St, Douglas, IoM. 0624 29696.

Bond Fund	£1.20	1.235	....	8.26

Richmond Life Ass. Ltd.
4 Hill Street, Douglas, IoM. [illegible]

Com Trust	121.3	[illegible]		—
Diamond Bond	42.3	[illegible]		—
Gold Bond	251.0	[illegible]	[illegible]	—
Sterling Deposit Fd.	176.9	185.25	[illegible]	8.75
UK Gilt Fund	161.7	[illegible]		—

Rothschild Asset Management (C.I.)
St Julian's Ct. St Peter Pt, Guernsey 0481 [illegible]

OC America Fd.*	$2.89	[illegible]		[illegible]
OC Sm Co**	197.9	209.3		[illegible]
OC Commodity†	123.9	131.8		[illegible]
OC $ Comdty*	$34.06	36.[illegible]		[illegible]
OC Hongko Fd††	HK$32.47	34.41xd	....	—

*Prices May 21. Next dlg June 7. †Prices May 14. Next dealing May 31. **Prices May 15. Next dealing May 31. ††Dlg every Wed.

OC Intl Reserves Ltd. 0481-26741 26331
See adjacent Page

Rothschild Australia Asset Mgt Ltd.
17 Bridge St, Sydney 2000, Australia

Five Arrows Aust. Eq.	A$1.34	1.37	-0.10	6.80

Royal Bank of Canada Funds
RBC Invest Managers Ltd
PO Box 246, St Peter Port, Guernsey 0481 23021

Intl Income Fd	$9.07	9.67xd	....	—
Intl Capital Fd	$15.78	16.[illegible]	-0.34	—
North America Fd.	$6.21	6.80	....	—
Far East & Pacific Fd	$9.18	9.78	....	—
RBC Intl Currencies Fd Ltd				
U.S $		$22.62	+0.03	—
Canadian $		$25.10	+0.02	—
£ Sterling		£11.34	+0.01	—
D-Mark		DM53.13	+0.03	—
Swiss Francs		SF41.41	+0.01	—
Japanese Yen		Y6,452	+4	—
Managed Fund		$21.79	+0.03	—

Daily Dealings.

Royal Trust Intnl. Fd. Mngt. Ltd (x)
PO Box 194, St Helier, Jersey. 0534 [illegible]

Sterling Fxd Int Fd.	£0.832	[illegible]	....	[illegible]
International Secs.	$1.089	1.140	....	[illegible]
International Bond	$0.812	0.825	....	12.07

Prices on May 23. Next dealing May 30.

SCI/Tech S.A.
2 Boulevard Royal, Luxembourg.

SCI/Tech Nav	$9.79	—	....	—

Save & Prosper International
Dealing to
P O Box 73, St. Helier, Jersey 0534 73933

Fixed Interest Funds				
Deutschemark Bd.	DM10.35	10.9[illegible]	....	[illegible]
Dlr Fxd Int	$3.04	[illegible]	....	10.17
Stl Fixed	105.0	111.1xd	-0.3	[illegible]
Yen Bond	Y1404	1480	+3	[illegible]
Equity Funds				
UK Growth	145.6	152.9	-3.0	1.50
Internatl. Gr	$10.49	11.24	-0.14	[illegible]
Far Eastern	$20.49	[illegible]	[illegible]	[illegible]
North American	$7.32	[illegible]	[illegible]	[illegible]
Gold	$12.56	13.55	[illegible]	[illegible]
Multi-currency Reserve Fund				
U S $	1.00	—		[illegible]
D Marks	10.00	—		[illegible]
£ Sterling	1.00	—		[illegible]
Yen	1000.0	—		[illegible]
Deposit Fund				
Sterling Deposit	184.5	184.6		0.14

ALL FUNDS ARE DAILY DEALING.

Schroder Mngt. Services (Jersey) Ltd.
P.O. Box 195, St. Helier, Jersey 0534 [illegible]
See adjacent Page

J. Henry Schroder Wagg & Co. Ltd.
120 Cheapside, EC2. 01-382 6000

Am In Tst May 2	$23.66	—	....	[illegible]
Asian Fd May 21	$22.39	23.40		[illegible]
Cheapside May 22	$9.42	—		[illegible]
Darling Fd May 25	A$3.27	[illegible]	-0.05	[illegible]
Japan Fund May 24	$16.26	[illegible]	....	0.13
Trafalgar Fd April 30	$15.51	[illegible]		—

Schroder Unit Trust Mgrs. Int. Ltd.
Box 273 St. Peter Port, Guernsey. 0481 28750

Mngd Currcy*	[illegible]	[illegible]	[illegible]	[illegible]
£ Fixed Interest*	[illegible]	[illegible]	[illegible]	[illegible]
£ Equity*	148.0	[illegible]	[illegible]	[illegible]
$ Fixed Interest*	$1.214	[illegible]	[illegible]	[illegible]
$ Equity*	$1.440	[illegible]	[illegible]	[illegible]
Hong Kong Fund*	HK$6.[illegible]	[illegible]	[illegible]	[illegible]
Schroder Life Assurance Int. Ltd.				
Mngd. Currcy Life Fd	615.1	[illegible]	....	—
£ Fixed Int Life Fd.	724.4	[illegible]	....	—
£ Equity Life Fd	164.9	[illegible]	....	—
$ Fixed Int Life Fd	$1.246	[illegible]	....	—
$ Equity Life Fd	$1.5[illegible]	[illegible]	....	—
£ Managed Life Fd	115.5	[illegible]	....	—
Hong Kong Life Fd	HK$6.169	[illegible]	....	—

Price May 23. Next dealing May 30. *Daily dealing.

Scrimgeour Kemp-Gee Mngmt., Jersey
1, Charing Cross St. Helier, Jersey 0534 [illegible]

SKG Capital Fund	276.2	284.6	....	—
SKG Income Fund	63.1	65.1xd	....	[illegible]
Gilt Bond	160.4	[illegible]	-1.1	—

Securities Selection Ltd.
Bermuda Hse, St. Peter Port, Gu'nsy 0481 27268

Forexfund	$8.10	8.51	....	—

Sentry Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda. [illegible]
For Funds/Prices phone UK 0908 670505 -24 hrs.

Singer & Friedlander Ldn. Agents.
21 New St. Bishopsgate EC2M 4HR 01-623 3000

Dekafonds	DM27.65	29.10	....	[illegible]
Tokyo Tst May 1	—	$69.25	....	[illegible]

Strategic Metal Trust Mngrs. Ltd.
48 Athol St., Douglas IoM 0624 [illegible]

Strategic Metal Tr	$0.9137	0.9407	....	—

Stronghold Management Limited
P O Box 315, St. Helier, Jersey. 0534-71460

Commodity Trust	80.70	84.95	....	—

Surinvest (Jersey) Ltd.
4, Hill St, Douglas, Isle of Man. 0624 29441

Copper Trust	£13.40	14.15	+0.19	—

TSB Trust Funds (C.I.)
26 Hill St., St. Helier, Jersey (CI) 0534 73494

TSB Gilt Fund Ltd.	99.0	102.0xd	....	11.76
TSBGiltFd (Jsy.) Ltd.	99.0	102.0	....	11.76
TSB Jersey Fund	86.2	90.8	....	3.68
TSB Guernsey Fund	86.2	90.8	....	3.68
TSB Capital Fund.	105.3	107.0	....	—

Prices on May 23. Next sub day May 30.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share $122.88.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share $89.67

Tyndall Bank (Isle of Man) Ltd.
30, Athol St., Douglas, Isle of Man 0624 29201

Stg. Money Fund	—	—	....	8.25
US$ Money Acc.	—	—	....	9.25

Tyndall Group
2 New St., St. Helier, Jersey. 0534 37331/3

TOFSL	173.4	185.9	....	1.08
(Accum Shares)	313.6	334.1	....	—
American	188.2	202.3	....	1.48
(Accum. shares)	218.8	235.8	....	—
Far Eastern	229.6	245.6	....	0.61
(Accum. shares)	249.3	266.6	....	—
European	102.4	109.6	....	0.46
(Accum. shares)	117.4	125.4	....	—
Jersey Fd	159.2	174.2xd	....	5.67
(Non-J Acc. Uts.)	376.8	411.6	....	—
Gilt Fd.	112.0	114.2xd	....	10.40
(Accum. shares)	287.2	292.4	....	—
Victory House, Douglas, Isle of Man. 0624 24111.				
High Inc Gilt	108.6	110.8xd	....	12.61
(Accum. Shares)	196.0	199.8	....	—

Tyndall International Assurance Ltd
Albert Hse, St Peter Port, Guernsey 0481 27066

International Equity	380.7	400.8	....	—
Do $	5.300	5.580	....	—
Pacific Equity	121.1	127.5	....	—
Do $	1.685	1.775	....	—
North Amer. Equity	75.5	79.5	....	—
Do $	1.050	1.120	....	—
UK Equity	279.1	294.0	....	—
Do. $	3.885	4.090	....	—
European Equity	107.1	112.8	....	—
Do. $	1.490	1.570	....	—
Internatl. Fixed Int.	371.0	390.6	....	—
Do. $	5.165	5.440	....	—
Sterling Fixed Int.	255.0	268.5	....	—
Do. $	3.550	3.740	....	—
Dollar Deposit	119.4	125.7	....	—
Do $	1.660	1.750	....	—
Sterling Deposit	149.7	157.6	....	—
Do $	2.080	2.190	....	—
Commodity	385.0	405.3	....	—
Do. $	5.355	5.640	....	—
Gold	81.3	85.6	....	—
Do. $	1.130	1.190	....	—
UK Property	196.5	206.9	....	—
Do. $	2.735	2.880	....	—
Internatl. Managed	313.0	329.5	....	—
Do $	4.355	4.585	....	—
UK Managed	243.6	256.5	....	—
Do. $	3.390	3.570	....	—

Tyndall-Guardian Mngmt. Ltd.
See adjacent page

M. G. Tyrrell & Co. Ltd.
P.O. Box 415, London W13 9NY.

Ortac	$10.60	11.10	....	—

Unico Invest Fd Mgt Co SA Lux
London & Continental Bankers Ltd.
2, Throgmorton Ave., London. 01-638 6111

Unico Invest. Fund	[illegible]	60.20	+0.10	—

Union-Investment-Gesellschaft mbH
Postfach 16767, D 6000 Frankfurt 16.

Unifonds	DM19.30	20.30	-0.20	—
Unirak	DM61.75	64.85	-0.10	—
Unirenta	DM36.16	37.30	....	—

Vanbrugh Fund Mngmt. Intl. Ltd.
28-34 Hill St, St Helier, Jersey 0534 36281

VCF Income (A & B)	[illegible]	129.0xd	-0.3	6.43
VCF Growth (C & D)	108.4	108.7	+0.2	—

S. G. Warburg & Co. Ltd. and Subsidiaries
30, Gresham Street, EC2 P2EB. 01-600 4555.

Energy Intnl May 24	$44.15	—	-0.06	—
Merc Eurbd May 23	$15.51	15.68		7.05
Select Risk May 15	$16.27	16.80		—
39-41 Broad St, St Helier, Jersey, CI. 0534 [illegible]				
Merc Comm May 22	$25.78	26.43	....	0.23
Merc Far East May 24	£22.48	[illegible]		0.69
Merc Trans May 25	£21.80	22.44	-0.76	2.18
Metals Tst May 17	£13.03	13.35		3.15
Merc Slct Mkt May 25	£17.0	17.54	-0.43	1.71
Mercury Money Market Trust Ltd.				
D-Mark		DM77.60	....	—
Dutch Guilder		Dfl104.14	....	—
Japanese Yen		Y7,009		—
£ Sterling		119.00	-0.01	—
Swiss Franc		SF76.39		—
U.S.$		$32.07	+0.02	—
1 Thomas St, Douglas, I.o.M. 0624 4856				
Merc IoM Fund	53.7	57.2	-0.3	8.1
Merc Intl. Bond Fd	37.8	40.3	-0.3	7.0

Wardley Fd Mngrs (Jersey) Ltd
HK Bk Bldg, Grenville St, St. Helier 0534 71460

Wardley Gilt Fund Acc	£1.21	1.25	-0.02	—
Wardley Gilt Fd (Dist)	£1.00	1.04	-0.01	10.02

Wardley Investment Services Ltd.,
4th Floor, Hutchison House, Hong Kong

Wardley Trust	$5.30	5.67	....	1.32
Wardley Nikko As. Fd.	$24.30	25.77	....	5.82
Wardley Bond Trust	$10.45	11.00		8.45
Wardley Japan Trust	$28.40	30.12	....	0.46
Wardley Prv Cap Tst	$9.45	10.02		0.80

WestAvon Secs (Guernsey) Ltd
Borough Hse, St Peter Port, Guernsey 0481 27963

Gilt & Option Fd	£1.18	1.23	....	3.00
US $ Option	$0.86	0.91		—

World Wide Growth Management◊
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	$11.68	—	-0.08	—

Inv. Adv.: M. & G. Inv. Mngt. Ltd., London.

Wren Commodity Management Ltd.
10, St. George's St., Douglas IoM 0624 25015

Wren Com. Fund	16.7	17.8	....	—
Chinese Fund	60.1	62.6	....	—
Precious Metal Fund	137.8	143.3	....	—
Vanguard Cmdy. Fd	28.9	29.7	....	—
Financial Futures Fd	55.3	57.5	....	—

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. # Suspended. ◊ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ◊ Yield column shows annualised rate of NAV increase.

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
26Mar 26S	Treas 12pc 1984	100⅛	14.5	11.92	9.49
22Aug 22F	Treas. 15pc 1985	103⅝	16.1	14.52	10.10
22S 22Mar	Exch. 12pc Cnv. '85	101⅜	14.2	11.85	10.23
21N 21My	Treas 3pc 1985	94⅝	16.4	3.18	9.20
15Jan 15Jul	Treas 11½pc 1985	100⅛	9.12	11.42	10.80
3Mar 3Se	Treas 8¼pcCnv '85	97½	26.1	8.97	10.83
22May 22N	Exch. 12¼pc 1985	101½	16.4	12.07	11.09
25Aug 25Fb	Exch. 11¼pc '86	100¾	19.3	11.66	11.20
11Oct 11Apr	Treas. 10pcCnv 1986	97⅞	5.3	10.22	11.26
19N 19May	Treas 3pc 1986	88⅞	12.4	3.38	9.42
19Nv 19My	Exch. 10½pc Cv '86	98⅝	12.4	10.64	11.25
12Dec 12Jn	Treas 12pc 1986	100⅞xd	8.5	11.90	11.52
10Ja 10Jul	Treas 8¾pc 1984-86‡‡	94¼	5.12	8.99	11.48
29Ap 29Oc	Exch. 14pc 1986	104⅞	23.3	13.36	11.63
21May 21N	Exch. 2½pc 1986	85¼	16.4	2.92	9.15
22Jul 22Jan	Exch. 13¾pc 1987	103⅜	16.12	12.83	11.71
10Aug 10Fb	Treas 10¼%Cv '87	96¼	4.1	10.60	11.64
24Aug 24Feb	Exch 2½pc 1987	83¼	18.1	3.00	9.45
6Oct 6Apr	Exch. 10½pc 1987	96⅝	1.3	10.85	11.82
1N 1May	Funding 6½pc '85-87‡‡	88¼	26.3	7.37	11.32
12Dec 12Jne	Treas. 10pc 1987	95½xd	8.5	10.47	11.82
14Jan 14Jly	Treas 3pc 1987	81⅝	8.12	3.68	9.98
3May 3Nov	Treas. 12pc 1987	100⅜	27.3	11.96	11.85
26Jul 26Ja	Treas 7¾pc 1985-88‡‡	89¼	20.12	8.65	11.28
10Nov 10May	Exch 10½pc '88	95⅞	3.4	10.95	11.83
14Dec 14Jne	Treas 9¾pc Cv '88	93⅛xd	8.5	10.46	11.93
1Jan 1Jul	Transport 3pc '78-88	77	25.11	3.90	10.00
25Ap 25Oc	Treas. 9½pc '88	91⅝	19.3	10.35	11.93
22Aug 22Fb	Treas 11½pc 1989	98⅜	16.1	11.70	11.95
18Oct —	Treas9½pcCv'89 £50pd'84	45⅜	—	10.41	11.85

Five to Fifteen Years

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
14Dec 14Jun	Treas.10½pc 1989	93⅞xd	22.5	11.13	12.04
1Feb 1Aug	Exch.10pc 1989	96⅛	—	10.90	12.17
1Feb 1Aug	Do.10pc '89 A	93¼	—	10.90	12.18
15Ap 15Oct	Treas 5pc 1986-89	77¼	9.3	6.48	10.68
15Jly 15Ja	Treas 13pc 1990‡‡	108⅛	9.12	12.58	12.14
22Se 22Mar	Exch. 12½pc 1990	103⅛	14.2	12.37	12.22
15D 15Jun	Treas 8¼pc 1987-90‡‡	85½xd	9.5	9.63	11.60
25Ap 25Oc	Treas. 10pcCv 1990	95⅜	—	11.04	12.13
10Jul 10Ja	Treas 11¾pc 1991	102	5.12	12.05	12.29
5Oct 5Apr	Funding 5¾pc '87-91‡‡	76	1.3	7.65	11.00
25Ap 25Oc	Exch. 11pc 1991	96	19.3	11.58	12.03
22Jly 22Jan	Treas 12¾pc 1992‡‡	107⅛	16.12	12.42	12.19
21Ag 21Fb	Treas 10pc 1992	93½	16.1	11.01	11.83
25Fb 25Ag	Exch. 12¼pc '92	103	19.1	12.27	12.27
22Mar 22Sp	Exch 13½pc 1992	108⅛	14.2	12.75	12.33
14Ja 14Jy	Treas 12½pc 1993‡‡	106⅜	8.12	12.27	12.15
15Mar 15Sp	Funding 6pc 1993‡‡	72	7.2	8.48	11.11
23May 23N	Treas 13¾pc 1993‡‡	108⅞	16.4	12.66	12.18
1Sept 1Mar	Treas 14½pc 1994‡‡	117⅛	24.1	12.77	12.07
27Oct 27Apr	Exch 13½pc 1994	108¼	21.3	12.61	12.24
22F 22Aug	Exch. 12½pc 1994	105	16.1	12.29	12.20
17May 17N	Treas 9pc 1994‡‡	85¼	10.4	10.59	11.50
25Jul 25Ja	Treas 12pc 1995	103⅛	19.12	12.09	12.11
1Nov 1May	Gas 3pc '90-95	60	26.3	5.02	8.81
21Jan 21Jly	Exch. 10¼pc 1995	93⅞	15.12	11.36	11.84
15May 15N	Treas 12¾pc 1995‡‡	105¼	9.4	12.17	11.97
22Jly 22Jan	Treas. 14pc '96	116½	16.12	12.56	12.12
15S 15Mar	Treas 9pc 1992-96‡‡	86	7.2	10.70	11.48
3Nov 3May	Treas 15¼pc 1996‡‡	120¼	27.3	12.74	12.09
15Nov 15May	Exch 13¼pc 1996‡‡	108⅜	9.4	12.23	11.92
1Ap 1Oc	Redemption 3pc 1986-96	65	24.2	4.65	7.44
22Jul 22Ja	Treas 13¼pc 1997‡‡	113¼	16.12	12.14	11.83
21Aug 21F	Exch 10½pc 1997	95⅛	16.1	11.36	11.64
1Mar 1Sep	Treas 8¾pc 1997‡‡	84	24.1	10.69	11.42
27Ap 27Oct	Exch. 15pc 1997	120⅛	21.3	12.59	12.07
19Jly 19Jan	Exch. 9¾pc 1998	89⅞	—	11.10	11.54
1Nov 1May	Treas 6¾pc 1995-98‡‡	69¼	26.3	9.75	11.15
30Mar 30Sep	Treas. 15½pc '98‡‡	126⅝	22.2	12.49	11.93
20May 20Nv	Exch. 12pc 1998	102	13.4	11.80	11.74
15Jul 15Jan	Treas 9½pc 1999‡‡	90⅛	9.12	10.92	11.33
26Sp 26Mar	Exch. 12¼pc 1999	105⅞	20.2	11.81	11.70
19Nv 19May	Treas. 10½pc 1999	93⅛	12.4	11.26	11.46

Over Fifteen Years

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
22My 22Nv	Convers'n 10¼pc 1999	91⅝	16.4	11.21	11.44
14Ja 14Jul	Treas. 13pc 2000	114⅞	8.12	11.82	11.60
22N 22May	Treas. 14pc '98-01	114⅞	16.4	12.22	11.84
22Jul 22Ja	Exch. 12pc '99-02	106⅛	16.12	11.70	11.62
11Apr 11Oct	Conv. 10pc 2002	93⅛	—	10.88	11.04
25Ja 25Jul	Treas. 13¾pc 2000-03	119⅞	19.12	11.94	11.64
19S 19Mar	Treas. 11½pc 2001-04	104⅛	13.2	11.27	11.22
14Ja 14Jul	Funding 3½pc '99-04	46⅛	8.12	7.77	9.80
21May 21N	Treas. 12½pc 2003-05	110¼	16.4	11.54	11.16
5Apr 5Oct	Treas. 8pc 2002-06‡‡	79	1.3	10.28	11.61
22Jly 22Jan	Treas. 11¾pc 2003-07	108⅛	16.12	11.24	11.16
26Sp 26Mar	Treas. 13½pc '04-08	120⅝	20.2	11.42	11.18
10Mar 10S	Treas. 5½pc 2008-12‡‡	57⅛	2.2	9.71	10.19
26Jly 26Jan	Treas. 7¾pc 2012-15	78½	20.12	10.22	10.36
12Jan 12Dec	Exch. 12pc '13-'17	111⅞xd	8.5	10.68	10.63

Undated

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
1Feb 1Aug	Consols 4pc	38¼	28.12	10.68	—
1Jun 1Dec	War Loan 3½pc‡‡	33¼xd	25.4	10.52	—
1Apr 1Oct	Conv. 3½pc '61 Aft.	43½	24.2	8.15	—
5Ap 5Oct	Treas. 3pc '66 Aft.	28½	1.3	10.55	—
5Ja Ap Jly O	Consols 2½pc	24¼	1.3	10.52	—
1Apr 1Oct	Treas. 2½pc	23½	24.2	10.65	—

Index-Linked

Interest Due	Stock (b)	Price £	Last xd	(1)	(2)
30Mr 30Sep	Treas. 2pc '88 (297.1)	102½	22.2	4.21	5.07
25Jan 25Jly	Do. 2pc '90 (333.9)	88⅛	—	4.30	4.90
16Mar 16Se	Do. 2pc '96 (267.9)	103	8.2	3.72	4.01
22My 22Nv	Do. 2½pc '99 (322.9)	94	16.4	3.17	3.41
24Mar 24Se	Do. 2½pc '01 (308.8)	93¼	16.2	3.52	3.74
20Nov 20May	Do. 2½pc '03 (310.7)	92½	13.4	3.47	3.68
19Jan 19Jly	Do. 2pc '06 (274.1)	96⅛	13.12	3.33	3.51
20Nov 20May	Do. 2½pc '09 (310.7)	91⅞	13.4	3.30	3.48
23Feb 23Aug	Do. 2½pc '11 (294.1)	97¼	17.1	3.28	3.44
26Jan 26Jly	Do. 2½pc '16 (322.0)	88⅝	20.12	3.24	3.39
16Oct 16Apr	Do. 2½pc '20 (327.3)	86¼	12.3	3.20	3.34

Prospective real redemption rate on projected inflation of (1) 10% and (2) 5%. (b) Figures in parentheses show RPI base month for indexing, ie 8 months prior to issue. RPI for Sept., 1983: 339.5 and for April, 1984: 349.7.

INT. BANK AND O'SEAS GOVT STERLING ISSUES

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
24Mar 24Sept	Asian Dev Bk 10¼pcLn2009	22¼	—	12.07	12.19
28Jan 28Jly	Australia 13½pc 2010	114¼	29.12	12.30	12.24
26Apr 26Oc	Do. 11¾%Ln2015	95xd	26.4	12.11	12.12
23Mar 23Sep	Euro Inv Bk 11pc Ln 2002	93½xd	23.2	12.02	12.16
1May 1Nov	Finland 14½pc Ln 1986	104⅞	3.10	13.83	11.39
8Jan 8July	Int-Am Dev Bk 12½pc 2003	105	9.12	12.44	12.40
6May 6Nov	Int. Bank 13½pc 1986	103⅛	7.10	13.08	11.34
31Mar 30Sep	Do. 14pcLn 1987	105⅛	8.5	13.33	11.70
3Jan 3Jy	Mlysia 12¼pcLn '88	101	3.1	12.13	11.73
1Mar 1Sep	Mex 16½pc 2008	99	2.8	17.37	18.25
29Jly 29Dec	NZ 14½pc 1987	105⅛xd	29.12	13.48	11.87
4My 4N	Do. 11¼pc 2008	92⅛xd	7.10	12.26	12.36
15Mar 15Sep	Sweden 13½pc 1986	103xd	14.2	13.11	11.17
22Ja 22Jly	Sweden 13½pc Ln 2010	112	23.1	12.59	12.53

CORPORATION LOANS

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
30Apr 31Oct	Bath 11¼pc 1985	99⅝	30.9	11.29	11.48
1June 1Dec	Birm'ham 12½pc 1985	101¼	4.5	12.36	11.32
1Je 1D	Burnley 13pc 1987	101⅞	1.5	12.72	12.06
24Ap 24Oct	Cardiff 11pc 1986	97¼xd	26.3	11.25	12.07
15Feb 15Aug	GLC 6¾pc 1990-92	75¼	16.1	9.19	12.09
1Feb 1Aug	Herts 6½pc 1985-87	86¼	4.1	7.84	12.05
1Apr 1Oct	Leeds 13½pc 2006	111⅛xd	12.3	12.30	12.19
1Ja Apr Jn Oc	Liverpool 3½pc Irred.	25	1.3	14.33	—
1Apr 1Oct	Lon.Cpn 9¼pc 84-85	97¼	1.3	9.51	11.43
15Jan 15Jly	LCC 5½pc '82-84	99⅛	15.12	5.54	9.17
11June 11Dec	Do.5½pc '85-87	83¾	11.5	6.57	12.00
10Jan 10Jly	Do 6¾pc '88-90	80	12.12	8.70	12.01
1Mar Jn S D	Do. 3pc '20 Aft.	23	1.2	13.19	—
15June 15Dec	Sunderland 12¼pc 1984	100¼	15.5	12.04	9.04

COMMONWEALTH AND AFRICAN LOANS

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
1Jan 1July	NZ 7¼pc 1988-92	79½	1.12	9.46	11.78
15June 15Dec	Do. 7½pc '83-86	92xd	15.5	8.10	11.70
1Apr 1Oct	S. Rhod. 2½pc Non-Ass.	180	—	—	—
10Mar 10Se	Do. 3½pc 80-85 Assd.	88	10.2	4.01	13.00
7Fb 7Ag	Do. 4½pc 87-92 Assd.	62	9.1	7.36	12.20
15Ap 15Oc	Zimbabwe Ann (£100pa)	310	15.3	—	17.06

LOANS

Building Societies

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
29My 23Nv	N'wide 10⅞pc 29.5.84	100xd	30.4	10.88	10.93
18Jne 6Dec	Do. 10⅞pc 18.6.84	100⅛xd	21.5	10.87	9.68
4Jan 9July	Do. 10⅞pc 9.7.84	100⅛	5.12	10.56	9.66
25Ja 30Jy	Do. 10⅞pc 30.7.84	100⅛	28.12	10.86	9.91
15Ja 20Ag	Do. 11¼pc 20.8.84	100⅜	16.1	10.22	9.83
29Fb 3Se	Do. 11pc 3.9.84	100¼	30.1	10.97	9.85
19Jn 24Dc	Do. 10¾pc 8.10.84	100⅛xd	5.5	10.31	9.96
30Apr 5Nov	Do. 10¼pc 5.11.84	100⅛xd	2.4	10.24	9.95
30Ap 5Nv	Do. 10¼pc 3.12.84	100⅛xd	30.4	10.11	9.81
19Jn 24Dec	Do. 10½pc 24.12.84	100⅛xd	21.4	10.46	9.64
28Ja 23Jy	Do. 10¼pc 28.1.85	99⅞	—	10.28	10.55
18Fb 13Ag	Do. 10¼pc 18.2.85	99⅝	—	10.23	10.64
25Mar 19Se	Do. 9¼pc 25.3.85	99⅛	—	9.52	10.52
—	Do. 9¼pc 15.4.85	99⅛pd	—	—	—

Public Board and Ind.

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
1Jan 1July	Agric. Mt. 5pc '59-89	76	1.12	6.74	11.86
1Mar 1Se	Met. Wtr. 3pc 'B'	34	1.2	8.95	11.93

Financial

Interest Due	Stock	Price £	Last xd	Yield Int.	Yield Red.
20June 20Dec	Inv. in Ind. 6¼% Db 81-84	98xd	30.4	6.38	10.50
11Jan 11Jly	Do.10½pc Ln. 1986	102½	28.11	10.68	11.70
11Jan 11Jly	Do. 11pc Uns Ln. '88	102½	28.11	11.21	11.70
11Jan 11Jly	Do. 11¾pc Uns.Ln. '90	102	28.11	12.09	12.50
14Mar 14Sep	Do. 12½pc Un. Ln. 1992	102	13.2	12.55	12.60
30June 31Dec	Do. 7¼pcA '89-92	75½	14.5	9.60	11.90
31Mar 30Se	Do. 7¼pcA '91-94	74	11.4	9.80	11.60
31Mar 30Se	Do. 9pcA '91-94	85	13.2	10.83	11.90
31Ap 28Fb	Do. 8⅞pcLn '92-97	82½	30.1	11.15	11.90

FOREIGN BONDS & RAILS

Interest Due	Stock	Price £	Last xd	Div % Gross	Red. Yield
—	Chinese 4½pc 1898	13	—	—	—
31Mar 30Sep	Do. 5pc 1912	14	—	—	—
1Jan 1July	Do. 5pc 1913	12	—	—	—
15Jan 15Jly	Do. 5pc '25 Boxer	9½	—	—	—
1Apr 1Oct	Greek 7pc Ass.	52	1.11	3.50	16.87
1Feb 1Aug	Do. 6pc 28 Stb. Ass.	58	1.2	3	16.02
1Apr 1Oct	Do 4pc Mixed Ass.	46	1.10	2	14.38
1May 1Nov	Hung. '24 Ass.	68	3.5	2.75	15.15
31My 30Nov	Hydro Quebec 15pc Ln 20..	116⅛xd	1.5	15	12.54
30Jun 31Dec	Iceland 6 pc '83-88	81	2.12	6½	13.80
31Jan 31Jly	Do. 14½pc Ln. 2016	113⅛	5.1	14.5	13.29
1Mar 1Sept	Ireland 9¾pc '91-96	87⅛	10.2	—	11.93
1June 1Dec	Japan 4pc '10 Ass.	318	1.12	—	—
30June 31Dec	Do. 6pc '83-88	85	3.1	7.25	10.80
1Apr 1Oct	Peru Ass. 2007	161	4.10	5.22	9.82
May 1	Turin 9pc 1991	$92	3.5	9	12.00
15Apr 15Oct	Turin 6 pc 1984	DM95	17.10	6½	11.40

AMERICANS

Dividends Paid	Stock	Price £	Last xd	Div Gross	C'vr	Y'ld Gr's
F May Aug N	Abbott Labs.‖	29	10.4	$1.20	—	2.9
F My Ag N	Alcoa $1	24	30.4	$1.20	—	3.5
My Jly S D	Amax $1	16½	8.5	20c	—	0.9
F My Au Nv	Amdahl 5c	867p	11.4	20c	—	—
F.M.A S.	Amer. Express $0.60	19⅞	3.1	$1.28	—	4.5
F.My.Au.N.	Amer Medical Int $1	17½	27.3	48c	—	1.9
May Au No Fb	Amer. Nat. Res. $1	23	10.4	h$1.41	—	9.7
Ap Jy Oc Ja	American T. & T. $1	11¼	27.3	$1.20	—	7.6
My Au N F	Ameritech $1	46⅛	—	$6.00	—	9.1
Mar Jn S D	Amfac‖	17xd	16.5	$1.44	—	6.0
—	AridTech	22p	—	—	—	—
Fb My Au N	Bankamerica $1⅝	13	8.5	$1.52	—	8.2
Ap Jly Oc Jan	Bankers N.Y. $10	27½	29.3	$2.45	—	6.3
My Au N Fb	Bell Atlantic $1	50⅛	27.3	$6.40	—	9.0
Fb My Au N	BellSouth $1	21xd	27.3	h$2.60	—	8.7
Mar Jun S D	♦Beth Steel $8	14⅞	4.11	60c	—	2.8
Ja Ap Jly O	Brown'g-Fer. 16⅔c	20¼	14.3	96c	—	3.3
F My Au N	Brunswick Corpn.‖	17½	19.4	60c	—	2.4
Jan Ap Jly O	CPC Intnl. 25c	25⅝	27.3	$2.20	—	6.1
Oc Ja Ap Jy	Campbell Soup 60c	39⅝	1.4	$2.30	—	4.1
F My Au N	Caterpillar Tractor‖	29¼	17.4	$1.50	—	3.6
F My Au N	Chase M'htn.$12.5	30¼xd	25.4	$3.65	—	8.5
Ap Jy Oc Ja	Chemical New York	19⅝	12.3	$2.36	—	8.5
Mar Jun S D	Chesebrough-Pond's $1	25⅜	28.2	$1.92	—	5.3
Mar Jun S D	Chrysler $6¼	16⅛	12.3	60c	—	2.6
My Au N F	Citicorp $4	21½	27.3	$2.06	—	6.8
My Au N F	City Inv. $1.25	29⅛	26.3	$2.00	—	—
F My Au N	Colgate-P. $1	15⅞	19.4	$1.28	—	5.7
Mar Jun S D	Colt Inds. $1	32¼	12.3	$2.20	—	4.8
Oc Ja Ap Jly	Cons. Foods $1⅓	19⅝	27.2	$1.30	—	4.7
F May Au N	Cont. Illinois $5	578p	27.3	$2.00	—	24.4
—	♦Corporate Data Scnce.	238p	—	—	—	—
Apr Jly O Ja	Crown Zell $5	21¼	12.3	$1.00	—	3.3
—	Damson Oil 40c	524p	—	—	—	—
Mar Jun S D	Dana Corp. $1	15½xd	21.5	$1.20	—	5.5
—	Derma-Lock Medical	94p	—	—	—	—
F My Au N	Eaton Corpn. 50c	27¾	2.5	$1.20	—	3.0
Jan Ap Jly O	Esmark $1	42¼xd	7.3	♦$1.04	—	1.7
Mar Jun S D	♦Exxon‖	28⅞	7.11	$3.40	—	8.3
F May Au N	Fin. Corpn. Amer. 50c	10⅛	6.3	h34c	—	2.3
Jan Apr Jly O	First Chicago $5	15¼xd	21.5	$1.32	—	5.9
Mr Jn Sep Dc	Florida Pwr. & Light‖	26¼xd	23.5	$3.60	—	9.7
Jan Apr Jly O	Fluor Corpn. 62½c	13¼	23.3	80c	—	4.3
Mar Jun S D	Ford Motor $2	26	27.4	$1.60	—	4.3
Mar Jun S D	GATX 62½c	28xd	7.3	$1.20	—	4.2
April Oct	Gen. Elect. $1¼	37⅜	6.3	$2.00	—	3.8
Jn Sep Dc Mr	Gen Foods Corp $1	36½xd	15.5	$2.50	—	4.8
Mar Jun S D	Gillette $1	31½	26.4	$2.30	—	5.1
—	Gt. Western Fin. $1	13	—	88c	—	4.8
F May O N	Gulf Corpn‖	57⅜	31.1	$3.00	—	3.7
Mar Jun S D	Honeywell $1.50	34¼xd	22.5	$1.90	—	3.9
Mar Jun S D	Hutton (E. F.) $1	19⅛	21.11	80c	—	2.9
Mar Jun S D	IBM Corpn $1.25	77⅛	8.4	$3.80	—	3.5
Ja Ap Jy Oc	ITT Corpn. $1	24½xd	14.5	$2.76	—	6.0
Mar Jun S D	Ingersoll-Rand $2	31½xd	14.5	$2.60	—	5.8
Fb Ap Ag Nv	Insilco $1	18⅛	5.1	$1.00	—	6.9
Mar Jun S D	IU Intnl. $1.20	13½xd	9.5	$1.15	—	6.1
—	Lockheed Crpn. $1	24⅞	—	—	—	—
May Au N Mar	Lone Star Inds. $1	17	29.2	$1.90	—	7.9
Mar Jun S D	Louisiana Land $0.15	20½	28.11	$1.00	—	3.4
Jan Ap Jly Oc	Lowe's 50c	12⅞	10.4	h34½c	—	1.9
Jan Ap Jly Oc	Manuf. Hanover $7½	19⅝	28.11	$3.04	—	11.4
Feb My Au N	Merrill Lynch $1	16½	30.4	80c	—	3.4
—	♦Microcomputer Mems.	755p	—	—	—	—
Jan Ap Jly O	Morgan (JP) $2.5	46	10.1	$4.00	—	6.1
F May Au N	NYNEX $1	43¼	27.3	$6.00	—	9.8
Ap Jy Oc Ja	Pacific Gas & Elec $5	995p	12.3	$1.72	—	12.2
Feb My Au N	Pacific Telesis $0.10	40⅝	12.3	$5.40	—	9.4
Mar Jun S D	Pennzoil 83⅓c	26¼xd	25.5	$2.20	—	5.9
F Apr Au N	Pillsbury‖	27	26.4	$1.40	—	3.7
—	Public Srv. El & Gas‖	15⅜	—	$2.64	—	11.8
Jly Oc Jan Apr	Quaker Oats $5	43	20.3	$2.20	—	3.6
Jan Apr Jly O	Rep NY Corpn $5	23	12.3	$1.52	—	4.7
F May Au N	Rexnord $5	12½	11.5	40c	—	2.3
Mar Jun S D	Rockwell Intl. $1	17⅛xd	9.5	$1.00	—	4.0
—	Rohr Inds Inc $1	23⅛	—	—	—	—
Ag Nv Fb My	SCA Services $1	831p	11.10	20c	—	1.7
Mr Ju Se De	Saul (B. F.) $1	10½	10.4	20c	—	—
Mr Je Se De	♦Shell Oil $1	42¼	1.9	♦$2.00	—	3.3
Fb My Ag No	Southwestern Bell $1	48½	27.3	$5.60	—	9.7
Au No Fe My	Sperry Corpn $0.50	27¼	1.4	$1.92	—	5.0
Mr Jn Se De	Sun Co. Inc. $1	34⅞	7.2	$2.30	—	4.6
Ma Ju Se Dec	TRW Inc. $1¼	42¼	8.5	$2.80	—	4.6
Feb My Au Nov	Tenneco $5	28⅝	8.5	$2.80	—	6.9
June Dec	Do. 10% Ln.Stk. 91-5	163	14.11	10%	—	f6.3
Mr Je Se De	Texaco $6.25	26½	3.5	$3.00	—	8.0
Mr Ju Se De	Time Inc. $1	27½	27.2	82c	—	2.1
Ja Ap Ju Oc	Transamerica $1	16½	1.4	$1.50	—	6.6
Mr Jn Se De	Union Carbide $1	39	2.5	$3.40	—	6.1
Mr Jn Sp Dc	Utd. Tech $5	44¼xd	22.5	$2.60	—	4.1
Mr Je Se De	♦US Steel $1	19⅛	30.10	$1.00	—	3.6
Fb My Ag No	US West‖	41	—	$5.40	—	9.3
Mr Je Se De	♦Woolworths $3½	24	19.11	$1.80	—	5.3

CANADIANS

Dividends Paid	Stock	Price £	Last xd	Div Gross	C'vr	Y'ld Gr's
Ma S J D	Bk.Montreal $2	12⅜	8.5	$1.96	—	9.0
Ja Ap Ju Oc	Bk. Nova Scot.‖	565p	27.3	h68c	—	7.0
—	♦Barrick Res Corp	180p	26.3	—	—	—
Ap Jy Oc Ja	Bell Canada‖	16½	12.3	$2.18	—	7.7
May Nov	♦Bow Valley‖	12⅝	15.12	15c	—	0.7
Ja Ap Jy Oc	Brascan‖	18⅝	26.4	$1.60	—	5.0
—	♦Breakwater Res.	487p	26.3	—	—	—
Fe My Au No	Can.Imp.Bk. $2	13⅛	22.12	$2.08	—	9.2
July Jan	Can.Pacific $5	21⅛	27.3	$1.40	—	3.8
July Jan	Do. 4pc Deb. £100	32½	23.12	4%	—	12.3
Ja Ap Jy Oc	Can. P. Ent.‖	11	22.12	80c	—	4.2
—	♦Echo Bay Mines	635p	—	20c	—	1.7
—	♦Greenwich Res Inc	120p	—	—	—	—
Ja Ap Jy Oc	♦Gulf Can.‖	9⅝	26.3	52c	—	—
Ap Jy Oc Ja	♦Hawker Sid Can‖	921p	15.11	96c	—	6.1
Fe My Au No	♦Hollinger $5	16⅛	26.7	s$2.20	—	7.9
Mr Jn Sp Dc	Hudson's Bay ‖	11⅞	3.1	60c	—	2.9
Mr Je Se De	♦Imperial Oil‖	21⅛	26.11	$1.40	—	3.9
Jan.Ag.J.O.	Inco‖	775p	26.4	$US20c	—	1.8
—	♦Intl. Corona Res	600p	—	—	—	—
Fe My Au No	♦Inland Nat. Gas $1	785p	30.12	$1.10	—	8.2
Mr Je Se De	Massey-Ferguson‖	209p	10.77	B—	—	—
—	♦Pecos Res‖	250p	—	—	—	—
June Dec	♦Rio Algom	879p	5.11	55c	—	—
Mr Je Se De	Royal Bk. Can. ‖	14½	18.4	$2.00	—	8.0
Se De Mr Ju	Seagram‖	23⅜	14.2	US$0.80	—	2.0
—	♦Talcorp	65p	—	—	—	—
—	♦Do. Pref. $3	145p	—	10%	—	11.8
F My Au No	Toronto-Dom. Bk.‖	775p	21.3	$0.76	—	5.7
Ja Ap Jy Oc	♦Trans Can Pipe	886p	1.12	♦$1.92	—	12.6

BANKS, HP & LEASING

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BEERS, WINES—Cont.

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Feb-Oct	Vaux	211	[illegible]	†d9.08	2.2	6.2	9.0
Jan. Sept	Whitbread 'A'	160	14.11	6.25	q2.4	5.7	8.4
Jan. June	Wolv. & Dudley	232	[illegible]	†6.85	3.0	4.2	11.3
Dec. July	Young Brew 'A' 50p	245	28.11	5.5	♦	2.6	♦
July Dec	Do. Non V 50p	145	28.11	5.5	♦	4.4	♦

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

DRAPERY & STORES—Cont.

ELECTRICALS

ENGINEERING

ENGINEERING—Continued

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

HOTELS—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
July Oct	Rowton Hotels	283	1.10	7.0	0.7	3.5	41.9
May Oct	Ryan Hotels 5p	11	9'80	—	—	—	—
May	Savoy 'A' 10p	280	10.4	2.0	♦	1.0	♦
April Aug	Stakis 10p	116	27.2	†2.0	2.8	2.5	16.2
January	♦Strikes Restnts.	72	[illegible]	1.6	♦	3.1	♦
Apr. Oct	Trusthouse Forte	114	13.2	h4.1	1.5	5.2	15.5
Jan. Aug	Wheeler's 10p	450	18.7	♦6.1	1.2	1.9	61.2

INDUSTRIALS (Miscel.)

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INDUSTRIALS—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Oct. May	Macfarlane Gp.	160	9.4	3.87	2.6	3.5	13.0
July Nov	Maclellan 20p	40	3.10	1.6	♦	5.9	♦
Aug. Mar	Macpherson (D.)	127	26.3	♦2.25	0.1	2.5	—
Oct. Apr.	Magnolia Group	53	9.4	2.5	3.2	6.7	5.2
—	♦Majomet Hldgs 10p	45	—	—	—	—	47.9
Apr. Oct.	Man. Ship Can. £1	237	27.2	5.5	3.5	3.3	12.2
Oct Apr	Marley	79	12.3	3.2	2.1	5.8	11.1
Feb. Oct.	Marling Ind. 10p	46	12.2	†1.08	1.7	3.4	(20.7)
Dec June	Marshall L'sy. 'A'	37	30.4	1.2	3.6	4.6	(6.6)
Jan. July	Marshall's Univ	62	1'82	—	—	—	122.0
Nov May	Martin-Black	228	5'79	—	—	—	—
—	♦Mathesons 7¾%	£96	30.6	Q7¾%	2.3	f8.4	—
Jan. June	Metal Box £1	336	28.11	†11.55	3.2	4.9	7.1
Nov. June	Metal Closures	204	26.3	6.3	♦	4.4	♦
—	♦Metal Sciences 2½p	17	—	—	—	—	—
April Dec.	Metamec Jentique	8	12.12	0.01	—	—	—
July Jan	♦Midland Marts	90xd	14.5	4.0	♦	6.3	♦
Jan May	Mitchell Cotts	58	12.3	3.62	1.0	8.9	(15.4)
July Dec.	Molben Grp 1p	20	9.4	0.5	♦	3.6	♦
Jan. July	Morgan Crucible	153	30.4	7.5	♦	7.0	♦
Jan. Aug.	Moss (Robt.) 10p	96	28.11	2.5	♦	3.8	♦
May Nov	♦NMW Computers	265	9.4	6.0	3.0	3.2	14.8
Mar. Sept.	Nash Inds.	54	16.1	4.0	2.2	10.6	6.2
Oct. April	Neill&Sp'ncer 10p	38	3'81	—	—	—	16.4
Oct. Apr.	New Equip 10p	70	12.3	♦1.15	6.5	2.3	9.4
Jan July	Newman Industs	23	12'79	—	—	—	(12.9)
—	Do. 10pc Cm. Pf.	23	30.12	10%	—	6.2	—
April Oct	Nolton	46½	12.12	1.0	2.9	3.1	16.3
Jan. Aug.	Norcros	151	30.12	b7.0	2.3	6.6	9.1
Oct. April	Nu-Swift 5p	66	5.9	—	—	—	12.9
Feb. Aug.	Oakwood Grp	75	30.1	d6.5	—	12.4	—
Jan. June	Office & Elect	153	17.10	7.5	2.8	7.2	6.6
May Nov	Oriflame Intl SA	800	26.3	Q53c	2.2	4.5	10.0
Jan. June	Ovenstone 12½c	48	14.11	Q4.5c	♦	6.4	♦
May Nov.	Ozalid Fin. Cv.	£126	9.4	Q9%	—	f7.4	—
—	♦PCT Grp 10p	185	—	bg4.8	♦	3.6	♦
Apr Oct	PH Industrials	310	16.1	♦5.0	2.0	6.5	8.9
April Oct.	Parker Knoll 'A'	175	12.3	8.5	3.0	6.9	6.5
Feb. Aug.	Pauls & Whites	250	12.12	8.0	3.5	4.6	6.8
June Nov	Pearson (S.) & Son	535	30.4	14.0	2.7	3.7	12.3
—	Peek Holdings	26	—	—	—	—	—
Mar Oct	Peerless	98	27.2	6.3	.15	10.0	(8.2)
June Nov.	Pentland 10p	94xd	14.5	2.17	♦	3.3	♦
Oct. July	Pentos 10p	24	9'80	B—	—	—	42.5
September	Phillips Patents	38	1.8	1.25	1.8	6.0	(11.1)
May Dec.	Photo-Me 50p	810	9.4	†h7.88	6.6	1.4	12.2
Feb. Aug.	Pilkington Br. £1	285	12.12	10.5	2.5	5.3	(8.6)
June Dec.	Pitn'y Bowes Ln.	£177xd	14.5	Q5½%	—	3.2	—
Sept. April	Plastic Const. 10p	39	27.2	d2.38	1.0	8.7	(16.0)
Jan. July	Platignum 5p	8	5'82	B—	—	—	—
—	♦Platon Int.	143	—	bg1.64	5.5	1.6	11.6
Feb Oct	Polly Peck ½p	250	16.1	†2.8	7.3	1.6	8.8
Apr. Nov.	Polymark 10p	16½	9'81	—	—	—	—
June Dec	Do. CmPfA £1	84	6.6	10%	—	17.0	—
Jan. July	Portals	505	30.4	17.25	3.0	4.9	9.0
Jan. Sept.	Powell Duff. 50p	347	28.11	†14.25	1.6	5.9	13.2
Sept. Mar	Prestige Group	268	27.2	♦8.25	2.3	4.5	12.9
June Nov.	Pritchard Svs.	105½xd	14.5	3.5	1.9	4.7	(13.0)
—	♦Protimeter 5p	30	—	u0.7	2.7	3.3	15.7
Feb. Sept.	RFD Group 10p	98½	26.1	†3.08	2.7	4.5	9.7
Jan. Aug.	Radiant Metal	74	1.8	1.0	0.8	1.9	—
Nov. Apr.	Rank Org.	208	27.2	10.0	1.1	6.9	19.2
Jan. July	Reckitt & Colman	478xd	14.5	12.4	2.3	3.7	14.6
July Feb.	Redfearn Glass	92	16.1	0.1	—	0.2	—
Jan. June	Reed Exec 10p	112	27.2	0.88	♦	1.1	♦
Jan. Aug.	Reed Intl. £1	416	14.11	14.0	2.9	4.8	8.7
May Oct	Reliance Ind 20p	33	27.2	†1.75	2.7	7.6	5.6
Oct. June	Relyon	112	9.4	4.85	2.3	6.2	10.2
March	Renown Inc Y50	202	2.4	Q25%	♦	1.9	♦
Feb. Oct.	Renwick Group	110	8'80	—	—	—	70.1
Mar. Sept.	Restmor	185	30.1	†6.5	2.4	5.0	11.8
Jan. Oct.	Rexmore	27	28.11	†1.3	1.9	6.9	9.0
Apr. Nov.	Ricardo	84	9.4	b2.5	2.7	4.3	10.4
—	Rivlin (I.D.&S.) 5p	108	—	0.1	3.1	0.1	—
—	Robertson Rsch 10p	235	—	bg3.0	2.9	1.8	25.9
July	Rock 10p	8½	6'80	—	—	—	—
Nov. May	Rockware	36	4'82	—	—	—	—
July	♦Rolfe & Nolan 10p	175	4.7	4.0	♦	3.3	♦
Dec. Aug.	Ropner	110xd	14.5	4.5	1.1	5.8	23.2
Dec. Aug.	Do. 'A'	110xd	14.5	4.5	1.1	5.8	23.2
Jan. July	Rotaprint 5p	11½	3.10	0.1	5.2	1.2	5.6
Jan July	Do. 11½pcCvPf£1	290	20.6	11½%	—	7.3	—
Jan. Sept.	Russell (A.) 10p	80	12.12	†h0.93	5.8	1.7	11.2
Feb. Sept.	Ryan Int'l 5p	14	1'74	—	—	—	♦
Jan July	SI Group 5p	48xd	14.5	†1.38	2.9	4.1	9.3
Dec. June	Sale Tilney	317	26.3	10.5	2.5	4.7	9.4
Oct. Dec.	Sandhurst Mkt. 10p	158	3.10	1.72	♦	1.6	♦
Jan. Oct.	Sangers	37	12'80	B—	—	—	—
Jan. Aug.	Scapa Group	265	12.12	†7.6	2.4	4.1	10.5
Jy Oc Ja Ap	Schlumberger $1	£34⅝	14.3	Q$1.04	—	2.1	—
July	Scott Robertson	77xd	14.5	g2.38	♦	4.4	♦
Dec. June	Scot. Heritable	48	9.4	2.1	♦	6.2	♦
Dec. July	Sears Hldgs.	81½	17.10	2.5	q2.4	4.5	11.2
April Sept	Securicor Gp.	215	27.2	1.44	5.0	1.0	29.7
Apr Sep	Do. 'A' N-V	195	27.2	1.44	5.0	1.1	26.9
—	♦Securiguard Grp 5p	137	13.2	g1.75	3.0	1.5	26.1
Apr Sep	Security Services	218	27.2	2.7	3.3	1.8	23.9
Apr Sep	Do. 'A' N-V	195	27.2	2.7	3.3	2.0	21.4
Apr. Oct.	Sharna Ware 20p	75	30.4	2.45	4.7	4.7	6.5
Apr Oct	♦Sheldon Jones	75	30.1	4.35	2.4	8.3	6.9
Dec May	Shiloh	48xd	14.5	1.5	♦	4.5	♦
Apr Aug	Sidlaw Group 50p	417	12.12	†16.0	2.6	5.6	8.8
Apr. Sept	Siebe Gorman	390	13.2	†9.45	2.5	3.5	16.2
Dec. June	Silentnight 10p	50xd	14.5	2.75	2.9	7.9	(4.8)
Apr July	Silv'rthorne 10p	36	12.3	1.75	2.8	6.9	5.9
April	♦Sinclair (Wm.)	80	12.3	†4.25	1.5	7.6	(10.0)
Jan July	Sketchley	353	28.11	b14.0	2.0	5.7	12.8
Oct. May	Smith&Neph.10p	212	9.4	4.5	2.1	3.0	18.5
June Dec.	Smiths Inds. 50p	515	30.4	†11.5	2.6	3.2	14.9
Oct. May	Solic. Law 20p	23	4'80	—	—	—	37.9
August	Somic	36	28.11	m0.5	—	2.0	—
—	Sonesson (W) AB SeK25	£17	—	Q013%	♦	1.7	♦
May Nov.	Sparrow (G. W.)20p	46xd	14.5	1.75	4.0	5.4	4.9
Nov. Aug.	Spear (J.W.)	75	5.9	0.1	—	0.2	—
May Oct.	Spong Hldgs 5p	16¼	5'78	—	—	—	(12.7)
January	♦Spring Ram 10p	187	9.4	d3.0	♦	2.2	♦
Apr Nov	Staffs. Potts	72	19.9	0.01	x	—	—
June Dec	Do. 10pcCnvRdPrf £1	193	12.12	10%	—	7.4	—
Oct. May	Slag Furniture	86	26.3	5.25	2.2	8.7	7.0
February	♦Stainless Metalcraft	87	30.12	g4.2	2.0	6.9	10.5
August	Std. Fireworks	138	1.8	b4.5	3.3	4.7	6.2
—	♦Stanelco 10p	25	—	—	—	—	12.7
Sept	Star Comp. 10p	160	5.9	d2.5	5.6	2.2	9.0
Oct/Apr	Steetley	255	26.3	11.0	2.0	6.2	10.9
Apr. Aug.	Sterling Inds.2½p	67	16.1	1.95	1.1	4.2	(29.9)
Apr. Dec.	Stocklake	132	13.2	12.0	2.8	13.0	3.1
Apr. July	Stonehill Hlds.	78	27.2	†d2.0	—	4.1	—
Oct. May	Sunlight Serv. 10p	220xd	14.5	7.0	2.5	2.8	11.3
Feb. Aug.	Sutcliffe Speak	26	1'79	—	—	—	11.6
May	Swedish Mtch B Sk50	£20½	9.5	vQ19%	♦	4.0	♦
November	♦Swire Pac A 60c	142	9.5	†Q76c	1.9	6.5	8.1
Mar. Sept.	Syltone	152	30.12	d9.0	♦	8.5	♦
January	Talbex 5p	6¼	11'78	—	—	—	—
—	♦Technology for Bus.	140	26.3	d4.2	1.8	4.3	15.8
Mar. Aug.	TSL Th'rmal Synd	78	12.3	g0.1	—	0.2	—
Jan. July	Th. Times Vn. 5p	10½	6'80	—	—	—	—
June Oct.	Third Mile Inv.	56	28.11	1.7	♦	4.4	♦
Ma Ju Se De	TNT A$0.50	185	26.3	Q12c	1.6	6.9	9.1
May Dec	♦Tod (W. & J.) 5p	153	—	bg2.5	2.1	2.3	25.4
Jan. Aug.	Toothill R.W	130	12.12	7.0	3.1	7.7	5.9
June	Toye	90	30.4	2.25	3.3	3.6	10.0
Feb. Aug.	Trafalgar H. 20p	225xd	14.5	†10.0	2.3	6.3	9.3
Sept	Transcont. Serv. 50c	198¼	1.8	hQ9.57	—	5.1	—
—	Do Warrants	95¼					
Nov. May	Transport Dev.	99	26.3	5.0	1.8	7.7	8.9
Jan July	♦Trident Comp 10p.	60	28.11	†d1.5	1.2	3.6	(11.4)
Jan. July	Triefus	46	20.6	0.13	—	0.4	—
Nov. May	Turner & New. £1	84xd	14.5	1.0	1.9	1.7	36.5
Feb. Aug.	UKO Intl.	109	6'81	—	—	—	10.0
—	♦Unibond Hldgs.	109	—	g2.8	♦	3.7	♦
—	Unigroup 15p	37	—	—	—	—	44.4
Nov April	Unilever	865	9.4	30.86	3.1	5.1	7.6
Nov Apr	Unl'v N.V.Fl.12	£32¾xd	16.5	uQ65.1%	3.1	3.9	7.2
July	U. Guarantee 5p	41	17.10	0.6	—	2.1	—
March	♦United Packaging 10p	70	26.1	t2.95	4.8	6.0	4.8
Jan. June	United Parcels 10p	75	30.4	2.8	♦	5.3	♦
—	♦V.W. Thermax	130	9.4	u5.25	1.8	5.8	16.6
Jan. Oct.	Valor	115	30.4	†4.0	3.2	5.0	(6.9)
Feb. Oct.	Vinten Grp. 20p	296	13.2	t2.8	5.0	1.4	22.8
July Dec.	'W' Ribbons 10p	18	12'79	—	—	—	—
Jan May	Wade Potts. 10p	76	30.4	†2.2	2.0	4.1	16.1
May Dec	Walker Hmr. 5p	10½	11'79	—	—	—	3.2
May Nov.	Waterford 5p	34xd	14.5	uQ36.6%	♦	4.6	♦
Apr. Oct.	Watsham's	645	12.3	†12.1	2.2	2.7	24.7
Feb. Aug.	Watson R. K. 10p	99	12.12	d4.0	3.9	5.8	5.4
July Dec.	Wedgwood	133	30.12	†4.43	1.7	4.8	17.5
—	♦Welpac 10p	15	—	g0.2	♦	1.9	♦
Mar. Sept.	Westn. Board 10p	222	30.1	7.3	2.3	4.7	13.0
Jan Aug	West's Group Int.	86	30.12	†4.2	0.3	7.0	16.5
May Oct.	Whatman R Angel	785	30.4	7.8	4.9	1.6	18.1
Feb. Aug.	Whitecroft	162	30.12	†5.4	2.8	4.8	9.4
Mar Sep	Widney 10p	13½	2'79	B—	—	—	9.1
Oct. May	Wilkes (J.)	160xd	14.5	4.31	0.4	3.9	—
—	♦Willaire Syst. 10p	6	—	—	—	—	—
July Feb.	Williams (J.)	22	12'81	—	—	—	—
Oct. July	Wills (George)	165	3.10	8.0	♦	7.2	♦
July Jan.	Wolseley-Hughes	478	12.12	†15.89	3.1	4.7	8.0
August	Whampn.Stn.Ldry5p	24	9'82	—	—	—	—
May	Wood (Arthur) 5p	64	9.4	3.0	♦	6.7	♦
Feb Oct	Worthington (A.J) 10p	39	9'82	—	—	—	—
July	♦Zygal Dyn. 5p	185	6.6	d0.75	3.8	1.0	28.5

INSURANCES

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Fe Ma Au No	Alexander & Alexander	£13⅝	27.4	Q$1.00	—	5.3	—
Apr Oct	Do. 11pc Cnv. $100	£58	17.10	Q11%	—	12.7	—
July	Allianz Vers. DM50	£203¼	14.7	Q20%	—	1.1	—
Ma Ju Se De	American Gen Corp.	£14⅛	13.2	hQ26.7c	—	1.2	—
May Sept.	Britannic 5p	460	26.3	21.8	—	6.8	—
Oct	♦Bryant (Derek) 10p	210	26.3	6.0	4.1	4.1	8.6
Fe Ma Au No	Combined Int. $1	£25½	13.2	Q$2.00	—	5.7	—
Nov. May	Comm. Union	198	26.3	11.8	—	8.5	—
—	♦Dewey Warren 10p	115	—	—	—	—	14.2
June Dec.	Ennia UK 9pcCnv.	£250	12.12	Q9%	—	f3.6	—
Jan. July	Equity & Law 1p	135xd	14.5	4.5	—	4.8	—
—	FAI Insurances $A0.50	370	27.2	†Q34%	4.0	2.8	9.0
Jan. July	Gen. Accident	437xd	14.5	19.0	—	6.2	—
Jan. May	GRE	542xd	14.5	23.0	—	6.1	—
July Dec.	Hambro Life 5p	357	30.4	15.8	—	6.3	—
Jan. July	Heath (C.E.) 20p	428	28.11	17.0	♦	5.8	♦
Oct. Mar.	Hogg Robinson	184	13.2	†6.0	2.0	4.7	15.4
Jan June	Legal & General	440	9.4	18.5	—	6.0	—
Oct Apr	Liberty Life SA R1	£32	12.5	vQ250c	—	4.3	—
Nov. May	London & Man.	490	9.4	16.45	—	4.8	—
June Oct.	London United 20p	208xd	14.5	12.0	1.1	8.2	14.7
F.M.A.N.	Marsh McLen'n $1	£28	4.4	Q$2.20	1.6	5.5	11.3
Nov. June	Minet Hldgs. 20p	152xd	14.5	5.18	♦	4.9	♦
Oct. June	Pearl 5p	735	30.4	33.0	—	6.4	—
Dec. June	Phoenix	432xd	14.5	19.8	—	6.5	—
Nov. May	Prudential	458	9.4	19.0	—	6.0	—
—	Reed S'house Class C	675	—	C60c	—	6.9	—
Nov. May	Refuge 5p	440	26.3	20.0	—	6.5	—
Jan. May	Royal	545	26.3	28.5	—	7.5	—
April Oct.	Sedgwick Group 10p	241	26.3	8.0	2.2	4.7	13.5
Nov. July	Stewart Wr. 20p	362xd	14.5	15.0	1.8	5.9	12.7
Jan. July	Sun Alliance	343xd	14.5	h14.0	—	—	—
June Dec.	Sun Life 5p	565	30.4	16.48	—	4.2	—
April	♦Taisho M EDR	940	25.3	gQ10%	—	—	—
Nov. May	Trade Indemnity	200	9.4	7.5	—	5.4	—
Ma Ju Se Dc	Travelers $2.50	£21¼	25.4	Q$1.92	—	6.4	—
Dec. June	Willis Faber	833	30.4	21.0	2.2	3.6	17.7
Feb July	Windsor Secs. 10p	39xd	14.5	†d0.75	3.0	3.1	12.2

LEISURE

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
—	♦A & M Hire 10p	17	—	b0.1	11.1	0.8	10.7
Jan July	A-R TV Pref. £1	76	30.12	9.95	17.8	11.2	—
January	♦Adam Leisure 10p	22	12.12	gd2.0	3.6	13.6	2.7
May Aug.	Anglia TV 'A'	175	12.3	7.0	1.7	5.7	13.9
—	♦Aspinall Hldgs. 10p	115	—	g3.0	♦	3.6	♦
Dec July	Assoc. Leisure 5p	160	31.10	♦h4.11	2.1	3.7	18.2
Dec. June	Barr & W.A.T. 'A'	102xd	14.5	6.0	♦	8.4	♦
Jan. July	Black Edgtn.	94	30.4	1.0	7.1	1.5	14.4
May Nov.	Boosey & Hawkes	150	30.4	5.0	1.1	4.8	(25.8)
Mar. Nov.	Campari Int. 20p	57xd	14.5	1.0	—	3.9	—
—	♦Central T.V. N/V 50p	235	9.4	6.5	2.4	4.0	24.9
Feb. June	Fairline Boats 10p	51	12.12	†d1.75	2.2	5.0	12.2
—	First Leisure £1	185	—	u6.0	2.1	4.6	12.1
—	GRA Group 5p	60	—	—	—	—	♦
Jan-July	Grampian TVA 10p	86	30.4	4.5	♦	7.5	♦
May Oct.	HTV Non/Vtg.	250	26.3	†11.0	2.3	6.3	10.0
May Oct.	Horizon	147	26.3	4.0	5.1	3.9	5.4
Jan Aug	Intasun 10p	158	30.12	4.0	4.5	3.6	7.2
May	♦Intervsn Video 10p	25	14.11	g1.0	1.9	4.2	11.4
June-Dec	Juliana's Hldgs 2p	400	30.4	5.25	♦	1.6	♦
Jan April	LWT "A"	233	9.4	†11.08	2.6	6.8	7.4
Jan Jul	Leisuretime Int 10p	62	26.3	1.8	♦	4.1	♦
March	♦MME Facilities 10p	44	30.1	b1.4	1.6	4.5	(16.5)
June Jan.	Mngmt. Ag. M. 10p	143	12.3	8.75	1.3	8.9	12.2
Apr. Dec.	Medminster 10p	84	12.3	†4.4	2.3	7.5	8.4

LEISURE—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
October	♦Miss World 10p	170	26.3	3.0	3.5	2.4	15.5
—	♦Nationwide Leis.	20	30.4	0.25	2.8	1.8	26.7
—	♦Nimslo Int 20c	24	—	—	—	—	—
Jan. Sept	Norton Opax 10p	135	30.1	t2.17	4.3	2.3	9.7
	For Our Price see Stores						
July	♦Owners Abroad	23½	9.4	0.75	♦	4.5	♦
June Nov	Photax (Lon.)	52	4'82	—	—	—	—
December	♦Pineapple Dnc $1 10p	98	14.11	d1.5	4.0	2.2	12.4
Sept. Apr.	Pleasurama 5p	306	27.2	6.5	4.7	3.0	9.4
Feb-July	♦Radio City 'A' NV	105	12.12	5.6	1.9	7.8	9.5
—	♦Radio Clyde N/V	62	—	3.0	1.4	6.9	14.5
July Jan	Riley Leisure 10p	103	9.4	4.2	2.4	5.8	8.7
Apr. Nov.	Saga Hols. 20p	99	27.2	3.75	♦	5.4	♦
April	Samuelson Grp £1	355	27.2	d12.0	2.7	4.8	11.0
—	♦Sangers Photo 10p	22	—	bg1.25	1.8	8.1	10.0
Dec May	Scott. TV 'A' 10p	152xd	9.4	8.1	2.9	7.6	7.1
	SeaCo Inc.	253	31.1	—	—	—	—
—	♦SelecTV 10p	19	—	—	—	—	—
May Nov	TSW 5p	33½	9.4	1.2	2.2	5.1	13.8
March	♦TVS N/Vtg 10p	121	13.2	2.0	5.5	2.4	10.0
—	♦Television Svcs 10p	27	26.3	b0.2	♦	1.1	♦
—	Tottenham Hotspur	70	—	b4.0	1.9	8.2	(13.9)
Oct Apr	Trid'nt TV 'A' 10p	134	13.2	5.5	1.8	5.9	13.2
—	♦21st Century Dist.	105	—	—	—	—	—
Dec	♦Tyne Tees TV 'A' £1	180	—	8.25	2.4	6.7	9.1
Jan July	Ulster TV N/V 'A'	152	30.4	†8.0	2.5	7.5	7.1
April Sept	Webb (Jos.) 5p	22	27.2	d0.51	0.5	3.3	—
Apr. Nov.	Zetters 5p	92	27.2	†3.1	3.0	4.8	9.8

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
—	BL 50p	54	—	—	—	—	—
Nov June	♦Coleman Milne 10p	55	30.4	1.7	2.8	4.4	11.0
Mr Jun Sp D	Gen. Mts. Units	255	10.2	Q12c	—	3.3	—
May Nov	Honda Motor Y50	346xd	25.5	†Q20%	9.1	0.8	13.4
Jan Oct	Lotus Car 10p	67	11'81	—	—	—	—
—	♦Reliant Motor 10p	40	—	—	—	—	12.7
May	Volvo Kr50	£43½	26.5	vQ23%	♦	2.3	♦

Commercial Vehicles

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Feb. Aug.	ERF (Hldgs)	36	7'82	B—	—	—	—
Jan. May	Plaxtons (GB)	122	30.12	h4.5	3.0	5.3	8.9
July Oct.	York Trailer 10p	28	5'80	B—	—	—	♦

Components

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
July Jan.	AE	82½xd	14.5	m1.4	2.8	2.4	(14.7)
Feb Oct	Aerospace Eng.	56	27.2	dh4.88	1.7	13.9	6.1
Mar. Sept.	Abbey Panels	75	3'82	—	—	—	—
Jan July	Airflow Stream	24	14.11	0.75	4.2	4.5	7.8
May Nov.	Armst'ng Eq. 10p	25	26.3	m0.1	7.9	0.6	—
June Sept	Automotive	67	26.3	1.0	3.4	2.1	(15.7)
Aug. Mar.	Bluemel Bros.	17	12'80	—	—	—	—
Apr. Sept.	Dowty 50p	140	13.2	†3.9	2.8	4.0	10.8
Jan. July	Dunlop 50p	38	11'82	—	—	—	—
Jan. July	Flight Refuelling	245xd	14.5	2.5	♦	1.5	♦
Jan. June	Hmn. Smith 10p	40	14.11	g0.5	1.9	1.8	38.2
Sept Dec	Kwik-Fit Hldgs. 10p	41xd	14.5	1.57	2.6	5.5	9.0
May Dec.	Lucas Inds. £1	200	9.4	8.6	1.3	6.1	(16.9)
April	Solex A 50p	95	30.4	4.3	1.7	6.5	(11.2)
Oct. July	Supra Group 10p	34	9.4	1.9	1.7	8.0	12.9
November	♦Technofan SA Fr100	£170	31.10	FFr150	♦	10.4	♦
Feb. Aug.	Woodhead (J.)	22	4.7	0.1	—	0.6	—

Garages and Distributors

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Sept. April	Adams Gibbon	150	27.2	5.25	4.3	5.0	5.1
January	Alexanders 10p	8¼	3'69	—	—	—	—
Nov. May	Appleyard Grp.	36	9'81	—	—	—	5.8
Feb. Aug	Arlington Motor	147	30.12	6.5	2.6	6.3	(6.9)
Jan. July	BSG Int. 10p	16½	30.4	†1.0	3.1	8.5	4.1
Nov. May	Bramall (C. D.)	155	30.4	d6.7	3.7	6.2	5.7
July Jan.	Brit. Car Auct. 10p	95	12.12	b2.8	2.2	4.3	15.6
Jan. July	Caffyns 50p	136	30.12	4.5	—	4.7	—
Feb Aug	Cowie (T.) 5p	36	30.12	d2.0	1.6	7.9	11.6
Jan. Aug.	Davis Godfrey	87	28.11	14.0	3.0	6.6	8.5
August	Gates (F.G.)	51	6.6	3.0	♦	7.1	♦
March	Glanfield Lawr.	54½xd	2'80	11.0	3.2	2.6	16.7
May Nov.	Hanger Invs. 10p	53	4'82	♦—	—	—	—
Jan June	Harrison (T.C.)	46xd	14.5	2.3	♦	7.1	♦
Jan. July	Hartwells	94	14.11	5.0	♦	7.9	♦
Aug. Apr.	Henlys 20p	119	27.2	0.3	—	0.1	—
Dec. June	Hurst (Charles)	140	30.4	5.0	♦	5.1	♦
Jan. July	Jessups	46xd	14.5	†h1.5	4.4	4.7	6.0
Apr. Oct.	Kenning Motor	115	13.2	6.5	2.5	8.1	(5.7)
—	♦Laidlaw Grp. 10p	32	9.4	g2.5	♦	11.2	♦
Oct. May	Lex Service	390	9.4	9.75	3.4	3.6	9.9
Oct. April	Lookers	83	30.4	h3.64	3.1	6.3	5.7
June	Manor Natnl. 20p	10½	4'80	B—	—	—	—
Dec. June	Perry (H.) Mtrs.	69xd	14.5	4.0	2.4	8.3	6.7
May Oct.	Quick (H. & J.) 10p	61	30.4	2.53	1.6	—	(12.8)
Dec. July	Western Mtr.	73	11'79	—	—	—	—
July Nov.	Young (H.)	88	6'74	—	—	—	18.1

NEWSPAPERS, PUBLISHERS

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Nov. May	Ass. Book P. 20p	283	30.4	7.5	2.7	3.8	12.3
Jan. Aug.	Assoc. News	443	16.10	12.0	2.7	3.9	12.7
May Dec.	BPM Hldgs. 'A'	114	27.2	†5.78	0.8	7.2	23.3
July Oct.	Black (A. & C.)	295xd	14.5	9.0	♦	4.4	♦
Feb. Sept.	Bristol Post	315	30.12	16.0	1.1	7.3	17.5
Oct. May	Collins William	570	9.4	11.0	2.4	2.8	21.6
Oct. May	Do. "A"	495	9.4	11.0	2.4	3.2	18.8
Feb. Aug.	Daily Mail 'A' 50p	745	30.1	34.5	1.0	6.6	22.6
Jan. July	E. Mid. Allied 'A'	73	28.11	†h2.0	2.2	3.9	16.0
Apr Oct	Fleet Hldgs.	155	27.2	†2.25	5.4	2.1	9.9
Jan. Nov.	Gordon & Gotch	117	28.11	7.5	1.6	9.2	10.0
Apr Oct	Haynes Pub 20p	185	12.3	d11.0	1.1	8.5	15.7
Oct. May	Home Counties	125	9.4	5.0	1.0	5.7	24.1
July Feb.	Independent	172	27.2	Q5.8%	1.3	6.5	14.2
Jan. July	Int. Thomson	805	9.12	27c	—	3.4	—
Apr. Nov.	Link House 20p	470	26.1	†13.9	2.0	4.2	17.1
Oct. Apr.	L'pool D. Post 50p	218	26.3	10.8	♦	7.3	♦
Oct Apr	♦Metal Bulletin 10p	160	27.2	6.6	1.7	5.9	14.0
—	♦Morgan Comms. 5p	82	—	bg1.85	1.7	3.2	26.6
May Oct	Octopus Publishing	655	9.4	9.0	2.5	2.0	26.5
Jul. Dec.	Portsm'th & Sund.	162	14.11	3.75	3.3	3.3	10.1
August	Routledge & KP	255	8'82	—	—	—	—
May Oct.	Sharpe (W. N.)	498	26.3	♦12.0	2.7	3.5	15.0
Nov. June	Utd. Newspapers	295	30.4	13.0	1.4	6.3	15.5
Dec. June	Websters Grp. 5p	117	30.4	3.1	3.1	3.8	14.0

PAPER, PRINTING ADVERTISING

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
April	Aidcom Int. 10p	103	27.2	g0.8	2.8	1.1	48.8
Apr. July	Assoc. Paper	142xd	14.5	†4.2	2.4	4.2	11.6
Oct. Apr.	Ault & Wiborg	32	5.9	♦0.5	2.9	2.2	(17.0)
Dec. May	Bemrose	193	9.4	11.0	1.8	8.1	(8.4)
May Oct	Boase Massimi Pll.	465	30.4	5.5	2.7	1.7	30.9
Jan June	Brit. Printing	201	30.4	6.0	♦	4.3	♦
Jan. July	Brunning Grp.	130	12.12	4.72	1.8	5.2	14.4
Jan. July	Do. Restric. Vtg.	118	12.12	4.72	1.8	6.1	12.2
Nov. June	Bunzl	523	9.4	11.0	2.6	3.0	15.2
Jan July	Carlton Cmmnctns	410	30.12	gd4.5	3.0	1.6	31.8
Jan. July	Causton (Sir J.)	70xd	14.5	2.35	♦	4.8	♦
Jan. Aug.	Chapman Inds. 50p	245	30.12	†7.5	2.5	4.4	12.4
Apr. Oct.	Clay (Richard)	110	9.4	3.5	2.2	4.5	14.1
Nov May	Clondalkin Group	150xd	14.5	Q52.9%	♦	6.9	♦
January	Cradley 10p	43	31.10	d1.05	3.5	3.5	11.7
Aug. Dec.	Cropper (James)	278	30.12	†3.5	11.4	1.8	5.0
Nov July	Delyn Pack 20p	98	14.11	2.5	♦	3.7	♦
Nov. July	DRG	113xd	14.5	6.5	1.7	8.2	(8.8)
Sept. Apr.	East Lancs. Ppr	54	26.3	2.5	♦	6.6	♦
June	Eucalyptus	340xd	14.5	4.9	♦	2.1	♦
Apr. Nov.	Ferry Pick 10p	78	9.4	†h2.36	3.2	4.3	9.3
May	♦Fitch & Co. 10p	300	30.4	g4.2	2.1	2.0	33.8
—	♦Formdesign 20p	130	—	bg3.85	2.4	4.2	(11.5)
August	G.B. Papers	72	12.12	♦†1.5	8.3	3.0	4.7
Nov. May	Geers Gross 10p	100	28.11	4.0	♦	5.8	♦
Oct May	Good Relats 10p	235	9.4	4.3	2.0	2.6	27.4
May Nov	Harrison Cowley	155	30.4	♦4.55	1.6	4.2	21.5
July Feb	♦Horne (Robert) 20p	100	—	u2.46	3.3	3.5	12.0
July Feb	Do. Non/Vot 'A'	90	—	u2.46	3.3	3.9	10.8
Apr Sept	Hunterprint Grp	175	27.2	3.5	3.4	2.9	11.1
My Aug Nov F	JWT Gp Inc $0.10	£25½	8.5	Q$1.44	—	3.8	—
—	♦KLP Group 5p	265	27.2	d1.6	4.0	0.9	39.2
June	♦LCA Hldgs 8p	42	18.5	0.3	♦	0.7	♦
July Feb.	McCorquodale	135	—	g5.0	2.6	5.3	8.3
July Dec.	More O'Ferr. 10p	70xd	14.5	3.3	♦	6.7	♦
F Jun Sp Dec	Ogilvy & M. $2	£35½	8.5	Q$1.72	—	3.4	—
Sept. Apr.	Olives Paper 20p	34	5.9	0.35	2.3	1.5	34.3
—	♦Page (Michael) 5p	165	30.4	g1.4	3.8	1.2	30.8
—	♦Peters (Michael)	142	9.4	u1.79	1.7	1.8	38.8
—	♦Promotions House 5p	25	—	b0.7	1.0	4.0	17.9
Apr. Sept.	Saatchi 10p	655	16.1	†8.4	2.7	1.8	23.6
Mar. Oct.	Smith (Dvid) 20p	96	30.1	†3.5	0.3	‡	—
Jan July	Smurfit (Jeffsn.)	141	27.2	gQ26.4%	♦	3.7	♦
Jan. July	Usher Walker 10p	175	14.11	5.5	♦	4.6	♦
Feb. Sept.	♦Valin Pollen Int 5p	263	—	bd1.6	3.1	0.9	53.5
Nov. June	Wace Group 20p	20	5'81	n—	—	—	—
Feb. Aug.	Waddington (J.)	470	14.11	b15.0	2.2	4.6	11.6
Nov April	Watmoughs	221xd	26.3	h5.21	3.1	3.4	(10.4)
August	♦Wight Collins RS 10p	405	30.12	d2.75	4.2	1.0	34.7

PROPERTY

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Jan. July	Abaco Invs	13½	—	—	—	—	—
July Dec.	All'd London 10p	85	14.11	†h1.33	3.5	2.2	17.5
—	Amal. Estates	9½	—	—	—	—	—
Apr. Oct.	Apex. Props. 10p	105	12.3	2.0	2.0	2.7	(22.3)
Mar. Oct.	Aquis. Secs. 5p	41	12.1	1.45	1.0	5.1	(26.7)
	For Atlantic Met. see Hallwood Grp.						
—	♦Austmark Int.	28	—	—	—	—	—
May Nov.	Bairstow Eves 5p	98	12.3	1.61	2.8	2.5	16.1
Jan. Apr.	Beazer (C. H.) 10p	365	9.4	†d9.0	3.4	3.5	11.1
Nov. July	Bilton (Percy)	210	31.10	10.19	♦	7.2	♦
Dec. Aug.	BradfordProp.	280	14.11	†5.5	2.9	2.8	17.6
Oct April	Bridgewater Est 50p	265	9.4	9.5	1.0	5.1	(26.9)
Feb Oct	British Land	118	30.12	†1.25	4.0	1.6	16.6
Apr. Oct.	Do. 12pc Cnv. 2002	£355	25.3	Q12%	7.7	f3.4	—
July Nov.	Brixton Estate	119	19.9	4.6	1.3	5.6	18.7
Feb July	Caparo Props	26	7'82	—	—	—	♦
Jan Oct	Cap. & Counties	179	12.12	†4.2	1.3	3.4	31.0
Feb. Aug.	Cardiff Prop 20p	160	12.12	1.7	0.7	1.5	—
Apr. Oct.	C'ntrovincial 20p	205	12.3	†5.0	2.2	3.5	17.0
Aug. Jan.	Chesterfield	380	14.11	9.25	♦	3.5	♦
Dec. June	Churchb'ry Est.	625	28.11	†14.5	1.2	3.3	34.6
Jan Aug	♦City Site Estates	55	12.12	0.58	0.8	1.5	—
Feb. Dec.	CALA 50p	525	26.3	.40	3.1	3.9	12.0
July Nov	Clarke Nickolls	138	17.10	6.0	♦	6.4	♦
November	Compco Hldgs 20p	290	3.10	3.6	3.5	1.8	23.1
Nv My	Connells Est Agts 5p	110	—	g2.8	2.3	3.6	16.8
Jan. July	Control Secs. 10p	43	12.12	3.15	1.1	10.5	(11.9)
Apr. Oct.	C'ntry New T. 10p	86	30.1	†1.0	0.9	1.7	—
October	County Props 10p	64	30.4	1.65	3.3	3.7	11.5
May Nov	Cussins Prop. Grp.	255	30.4	5.5	♦	3.1	♦
Mar. Sept.	Daejan (Hldgs)	223	30.1	5.75	5.8	3.9	6.2
Jan Ap July Oc	Daon Dev Corp	80	7'82	B—	—	—	—
Sept. Nov	Dares Estates 10p	20	30.4	1.35	♦	9.6	♦
—	♦Dencora	87	—	—	—	—	♦
Apr Oct	Edmond Hldgs 10p	75	12.3	1.05	1.5	10.0	6.9
Feb Sept	Espley Trust	58	27.2	g3.88	♦	9.6	♦
July	Ests. & Agency	130	20.6	3.0	1.4	3.4	♦
Nov. June	Ests. & Gen. 20p	98	9.4	2.1	♦	3.3	♦
Jan. Apr.	Ests. Prop. Inv.	160	30.1	8.0	1.1	7.1	(18.3)
Jan. Aug.	Evans Leeds	64	12.12	2.63	2.2	5.9	10.9
October	Ewart New Nth £1	218	13.2	4.0	0.6	2.6	—
Apr Oct	Fairview Ests. 50p	133	9.4	†5.5	2.8	5.9	7.4
November	Five Oaks Invs 5p	33	12'66	—	—	—	♦
—	♦Gable Hse Prop 5p	69	—	b2.3	2.0	4.4	17.5
—	♦Gilbert H'se Inv. 5p	22	—	—	—	—	—
July	Grainger Trust	285	12.12	b4.8	4.0	2.4	15.4
Feb. Sept.	Gt. Portland 50p	342	28.11	5.0	1.2	5.0	24.1
Jan Sept	Greycoat Offices 10p	168	12.12	†1.15	3.5	1.0	30.8
—	♦Grosvenor Sq Prps10p	91	—	b5.0	2.3	7.8	6.8
J A J O	Hallwood Gp $0.10	90	27.6	♦Q8c	0.3	6.3	46.2
June Nov	Hammerson 'A'	810xd	14.5	15.0	1.5	2.6	31.4
June Jan	♦Hardanger Prop 10p	148	12.12	9.8	4.2	9.5	3.6
Feb. Oct.	Haslemere 10p	476	30.12	†7.9	1.8	2.4	29.3
Jan. Nov.	♦HK Lnd HK$2.5	27	27.10	Q1c	♦	0.3	♦
Jan Nov	Imry Property	265	13.2	†4.3	1.6	2.3	39.6
—	Int Inc. Ppty $0.01	686	8.5	Q88c	—	9.0	—
October	Jermyn Invest	90	15.8	1.63	2.6	2.6	17.1
May Nov.	Kent (M.P.) 10p	40	9.4	†d1.26	1.6	4.5	(16.5)
May Nov	Laing Properties	250	26.3	5.5	2.1	3.1	20.7
June Dec	Do 8½pcLn 2000-05	£124	14.11	Q8½%	7.1	f7.3	—
May Oct	Land Invest.	34	30.4	1.0	1.3	4.2	26.3
Dec. July	Land Sec. £1	258	28.11	7.27	♦	4.1	♦
Oct. Mar.	♦Lend Lease 50c	302	7.3	hQ31.6%	2.1	3.4	13.9
Dec July	Land & Edinburgh 10p	165xd	14.5	gd5.25	3.2	4.5	8.0
—	♦Ldn & Man 10p	13	—	—	—	—	♦
Dec. June	Lon. Prov. Shp. 10p	295xd	14.5	†4.0	2.3	1.9	34.8
Apr. Dec.	Lon. Shop Prop.	183	12.3	5.75	1.5	4.5	20.4
Apr. Oct.	Do. 9pc Cnv. 1994-99	£124	30.4	Q9%	11.7	f7.3	—
Jan July	Lynton Hdgs. 20p	275	12.12	†4.75	1.9	2.5	28.2

PROPERTY—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Dec. June	MEPC	270	12.12	8.0	1.4	4.2	23.5
May Nov	Markheath	110	30.4	d9.75	0.9	12.7	(14.5)
May	Marlborough 5p	49xd	14.5	0.5	—	1.5	—
Feb Sept	Marler Estates	93	30.12	2.0	—	3.1	—
Dec July	McInerney 10p	68	14.11	Q71.4%	♦	8.7	♦
Dec July	McKay Secs 20p	138	30.1	†3.4	b2.3	—	—
October	♦Morland Secs 5p	122½	18.7	♦d2.0	0.3	2.4	—
Apr Oct	Mountleigh	240	12.3	†h4.58	3.5	2.7	11.4
Mar Aug	Mountview 5p	265	30.1	†3.7	8.8	2.0	8.1
July Oct	Muckiow (A. & J.)	75xd	14.5	4.5	1.3	8.6	(11.6)
—	New Cavendish 5p	80	14.11	h0.91	—	1.6	—
—	♦New England Props 5p	28	26.3	1.0	1.5	5.1	(16.4)
September	Parkdale Hldgs. 10p	34	1.8	t0.8	1.8	3.4	29.6
May Dec	Peachey	205	9.4	†6.0	1.9	4.2	18.0
March Nov	Peel Hldgs.	248	26.3	bd7.35	1.2	4.2	(26.1)
—	Phoenix Prop. and Fin.	24	—	—	—	—	—
11'81	Priest Marians £1	580	11'81	B—	—	—	—
Jan. July	Prop.Hldg. & Inv	196	30.12	14.4	1.5	3.2	33.2
Jan. Aug.	Prop. Part'ship	285	28.11	†6.25	1.8	3.1	25.5
Jan. July	Prop. & Rev.	172	12.12	3.5	1.3	2.9	35.1
Apr. Oct.	Prop. Sec. Inv 50p	119	30.1	2.25	2.1	2.7	(26.4)
November	Raglan Prop 1p	8½	5.10	0.08	3.9	—	22.4
August	Regalian	72	28.11	b2.5	3.9	5.0	7.4
April Sept	Regentcrest 10p	26½	3'74	§1.0	1.1	5.4	23.3
May Oct	Rohan Group 10p	215	9.4	Q16.2%	1.9	7.1	11.4
January	Rosehaugh £1	448	31.10	2.87	5.1	0.9	24.1
Jan. June	Rush & Tompkins	252xd	14.5	7.25	2.2	4.1	12.5
Jan June	Samuel Props	138xd	14.5	†5.2	1.7	5.6	12.6
May	Sarakreek Holding NV	$33½xd	22.5	Q$2.50	♦	7.5	♦
Aug. Jan.	Scot. Metrop. 20p	81	31.10	†3.5	1.1	6.3	18.9
—	Shearbank Prop.	26	1'73	—	—	—	—
—	♦Sheraton Secs. 10p	14	—	—	—	—	65.0
Oct. May	Slough Ests	119	9.4	4.0	1.6	4.8	16.3
June Dec.	Do. 10% Conv. '90	£277	14.11	Q10%	x	f3.6	—
June Dec.	Do 8% Cm. 91-44	£117	14.11	Q8%	11.3	f6.9	—
June Dec	Speyhawk	165	30.12	d7.7	2.3	6.7	8.9
Feb. Aug	Standard Secs	148	16.1	3.2	1.9	3.1	23.6
Feb Sept	Sterling G'tee 10p	47	12.12	1.0	♦	3.1	♦
March-Sept	Do. 7pcCnvCumPf.	228	13.2	7%	—	4.4	—
September	Stewart Nairn Grp	19	9'80	—	—	—	22.7
Apr. Aug.	Stock Conversn	322	13.2	†4.75	2.9	2.1	23.1
—	Stockley	60	—	—	—	—	—
—	♦Swire Props HK$1	63	—	♦Q48c	1.1	6.7	14.0
—	♦Tops Estates 10p	68	—	—	—	—	—
December	Town Centre	40	14.11	h0.91	1.5	3.2	29.4
—	♦Towngrade Secs 20p	28	—	0.6	1.8	3.1	25.4
Apr. Nov.	Trafford Park	155	26.3	†9.25	1.4	8.5	10.6
April	Trust of Prop. 5p	27	27.2	0.33	1.0	1.8	—
Nov. April	Utd. Real Prop.	480	27.2	8.0	1.5	2.4	39.6
July	Walker (Alfred) 10p	74	5.9	0.75	2.7	1.4	(28.0)
Mar July	Warner Estate	470xd	14.5	†11.0	1.3	3.3	33.6
Apr. Oct.	Warnford Inv. 20p	350	27.2	13.5	♦	5.6	♦
Sep. May	Wereldhave DFL20	£38¼	3.5	vQ45%	♦	5.4	♦
Mar. Oct.	West & Country	118	9.4	6.0	2.5	7.3	(6.3)
August	Whittington Ints.	29½	3'83	0.5	2.4	3.8	(12.9)
October	♦Wingate Prop Inv	112	1.5	1.5	♦	1.9	♦
June Nov	♦York Mount	59xd	14.5	5.0	♦	12.1	♦

SHIPPING

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Dec. Aug.	Brit. & Comm.	910	14.10	15.5	4.8	—	—
May Dec.	Common Bros. 50p	158	17.10	1.0	8.0	0.9	14.4
Oct. May	Fisher (J)	110	26.3	3.0	2.1	3.9	(11.9)
—	Gotaas-Larson $1	775	—	—	—	—	♦
Sept Dec	Graig Ship £1	640	14.11	h7.5	1.1	1.7	78.2
Jan. July	Hunting Gibson	90	28.11	6.0	1.7	9.5	8.7
May Oct.	Jacobs (J. I.) 20p	48	9.4	2.9	0.5	8.6	(35.0)
July	Lon. O'Seas Frtrs.	12½	6'81	—	—	—	—
Jan. July	Lyle Shipping	34	28.11	2.0	—	8.4	—
—	Mersey Dk. Units	42	—	—	—	—	1.7
October	Milford Docks £1	48	—	—	—	—	—
June Nov	Ocean Transport	118	9.4	4.5	—	5.4	—
Jan July	P & O Defd £1	298	9.4	12.5	1.7	6.0	(11.7)
Apr. Oct.	Reardon Sm. 50p	41	9'82	—	—	—	—
Jan. July	Runciman (W.)	105	28.11	5.0	♦	7.0	♦
Mar Jun Sp Dec	Sea Containers 12½p	£16¼	27.2	Q42c	—	1.8	—
Feb June	Turnbull Scott £1	430	30.12	6.0	—	2.0	—

SHOES AND LEATHER

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
April Dec.	FII Group	207	26.3	†d5.25	2.6	3.6	15.1
Oct. June	Garnar Booth	136xd	14.5	7.5	♦	7.9	♦
Dec. June	Headlam, Sims 5p	43xd	14.5	3.0	♦	10.0	♦
Apr. Oct.	Lambert Hth. 20p	225	9.4	5.75	3.7	3.7	10.0
Apr. Oct.	Newbold & Burt'n	108	27.2	4.16	1.5	5.5	15.9
Jan. May	Pittard Grp	79	9.4	4.5	2.0	8.1	7.0
Mar. Nov.	Strong & Fisher	143	3'82	—	—	—	6.5
October	Stylo	198	15.8	4.5	♦	3.3	♦

SOUTH AFRICANS

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Apr. Sept.	Abercom R0.30	118	27.2	‡Q16c	2.9	‡	4.3
Sept. Mar.	Anglo Am. In. R1	£17	9.4	Q180c	2.0	7.0	8.5
Jan. July	Barlow Rand R.10c.	800	28.11	Q70c	2.3	4.9	8.9
September	Gold Flds. P. 2½c	205	5.9	Q20c	1.5	5.4	12.3
Mar Sept	Kirsh Trading 50c	240	27.2	mQ5c	—	1.2	—
Jan. Aug.	Messina R0.50	295	4.7	Q8c	♦	1.5	♦
Dec. July	OK Bazaars 50c	970xd	14.5	‡Q142c	1.5	‡	—
November	Rex Trueform 'A'50c	650	31.10	Q55c	5.2	5.0	3.9
Dec. July	SA Brews 20c	427	28.11	Q36c	♦	5.1	♦
May Nov.	Tiger Oats R1	£25xd	14.5	Q140c	3.7	3.1	8.7
Feb Aug	Tongaat-Hulett R1	645	30.12	Q58c	♦	5.1	♦
May Nov.	Unisec 20cts.	315	12.3	Q30c	♦	5.3	♦

TEXTILES

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
Sept. Mar.	Allied Textile	285	13.2	7.24	3.1	3.6	(9.8)
Jan. Aug.	Atkins Bros.	126	12.12	5.0	0.9	5.7	(31.0)
Dec. July	Beales (J.) 20p	74	14.11	†3.0	2.5	5.8	(7.2)
Jan May	Beckman A. 10p	99	9.4	5.73	1.2	8.3	14.0
May Nov.	Brit. Mohair	92	9.4	4.65	3.4	7.2	5.9
Jan. July	Bulmer L'mb. 20p	61	28.11	3.82	1.7	8.9	(7.7)
—	Burmatex 10p	182	—	b5.0	1.9	3.9	18.8
Jan. June	Carpets Int. 50p	32	4'80	—	—	—	—
Dec. June	Coats Patons	118	30.4	4.7	2.7	5.7	(7.3)
Oct. May	Corah	66½	26.3	3.7	1.6	7.9	(9.6)
Jan. July	Courtaulds	137	12.12	†3.25	4.1	3.4	7.7
Mar. Sept.	Do. 7pcDeb 82-87	£88	13.2	Q7%	32.6	e13.7	—
June	Crowther (J.)	34	6'80	1.0	♦	4.3	♦
Feb. Sept.	Dawson Intl.	208	12.12	†6.5	2.3	4.5	11.4
Feb. Oct.	Dixon (David)	82	12.12	2.22	—	3.9	—
March Oct	Don Bros Buist	94	27.2	†3.5	4.2	5.3	6.2
Nov. July	Early's of Witney 10p	35	17.10	1.32	0.5	5.5	—
Jan July	Ferguson (James) 10p	18½	7'79	—	—	—	—
Jan. July	Foster (John)	57xd	14.5	2.25	♦	5.6	♦
May Nov.	Gaskell B'loom 20p	80xd	14.5	4.5	3.3	8.0	5.2
Apr. Nov.	Hicking P'st. 50p	45	2'83	‡2.0	—	‡	—
Oct. Mar.	Ill'gworth M. 20p	32	8'82	♦—	—	—	22.0
Oct. Mar.	Do. 'A' 20p	29	8'82	♦—	—	—	19.9
Jan. Aug.	Ingram (H.) 10p	240	12'79	♦—	—	—	—
Nov. May	Jerome (Hldgs.)	85	28.11	2.69	♦	4.6	♦
Jan. July	Leeds Grp.	105	12.12	d4.5	2.9	6.1	6.3
January	Lister	64	12.12	0.1	5.0	0.2	—
Mr. Oct.	Lowe (Robert H.)	35	3'83	—	—	—	—
Jan. July	Lyles (S.) 20p	88xd	14.5	6.75	1.6	11.0	7.2
May Dec.	Mackay Hugh	68	26.3	4.0	0.8	9.5	19.4
Jan. July	Martin (A.) 20p	46xd	14.5	2.25	1.7	7.0	(10.5)
April	Munton Bros 10p	51½	16.1	3.0	1.3	8.3	(11.3)
July Dec.	Notts. Manfg	236xd	14.5	6.2	3.2	3.8	9.6
Jan Oct	Nova Jersey 20p	42	27.2	‡4.0	1.8	‡	(4.8)
—	Palma Group	55	—	Hd2.0	♦	5.2	♦
Jan. June	Parkland 'A'	103	28.11	4.8	♦	6.9	♦
Dec July	Readicut 5p	28	6.6	1.2	♦	6.1	♦
May Feb.	Richards 10p	33xd	14.5	0.75	0.2	3.2	—
Mar. Oct.	SEET 20p	108	30.1	†3.5	3.4	4.6	7.8
March	Sekers Int. 10p	23	19.9	Z0.25	—	1.6	17.3
Feb. Aug.	Shaw Carpets 10p	43	30.12	†1.5	0.9	5.0	30.5
Jan. May	Sirdar	137	9.4	†h2.53	4.3	2.6	11.9
May Oct.	Small & Tidmas	64	6'82	—	—	—	—
Jan July	Smallshaw R. 10p	31	30.4	1.75	2.4	8.1	(4.4)
May Oct.	Spencer (Geo.)	16	6'81	0.1	—	0.9	—
Apr. Nov.	Stoddard 'A'10p	14	2'80	—	—	—	—
Jan. July	Stroud Riley Dr'd	67	30.1	2.25	3.8	4.8	6.1
June Nov.	Sumner (F.)	8½	8'81	—	—	—	—
May Oct.	Sunbeam Wolsey	58	9.4	Q23.2%	2.7	7.8	7.1
Mar. Sept.	Text'rd Jrsy. 10p	80	13.2	4.0	1.3	7.1	(13.9)
February	Tomkinsons	120	13.2	5.0	4.4	6.0	4.1
Feb. July	Tootal	42xd	14.5	2.5	♦	8.5	♦
July	Toray Y50	128	9.12	Q11½%	2.1	1.4	34.7
June Dec.	Yorklyde 20p	460	14.11	20.0	♦	6.4	♦
Oct. May	Youghal	13½	9'77	—	—	—	—

TOBACCOS

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's	P/E
July Nov	BAT Inds.	206xd	14.5	8.25	3.5	5.7	5.5
June Dec	Do. 12¼pcLn 2003-08	£99¾	9.4	Q12¼%	—	f12.7	—
Nov. Mar.	Imperial	145	13.2	7.8	1.9	7.7	9.0
Jan. Sept.	Rothmans 12½p	133	12.12	†6.0	6.2	6.4	3.0

TRUSTS, FINANCE, LAND

Investment Trusts

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	Y'ld Gr's
Dec. June	Aberdeen Trust	126xd	14.5	†4.8	1.0	5.4
Jan. Sept.	Ailsa Inv.	72	30.1	†1.3	1.2	2.6
Oct. May	Alliance Trust	455	26.3	13.5	1.0	4.2
Nov. July	Altifund Inc.	59xd	14.5	7.8	♦	18.9
Nov. July	Do. Capital	338xd	14.5	0.39	—	0.2
Nov May	Alva Investment Trust	240	17.10	‡10.5	1.0	‡
Dec. July	Ambrose Inv. Inc.	58½xd	14.5	8.4	♦	20.5
Dec July	Do. Cap.	168	—	—	—	—
Oct. May	American Trust	93	9.4	2.5	1.2	3.8
—	American Tst. 'B'	91xc	—	—	—	—
Aug. Mar.	Anglo Am. Secs	228	27.2	5.35	1.0	3.4
Sept. Apr.	Anglo-Int. Div.	58½	27.2	6.5	1.0	15.9
—	Do. Asset Shs.	453	—	—	—	—
June Dec.	Anglo Scot. Inv.	121	14.5	†2.7	1.0	3.2
Aug. Feb.	Archimedes Inc.	122	30.12	†8.61	1.0	10.4
—	Do. Cap. 50p	70	—	—	—	—
Dec. June	♦Argo Inv (A$1)	160xd	5.11	Q12%	1.1	5.3
Aug. Mar.	Ashdown Inv.	326	13.2	7.0	0.9	3.1
Jan June	Asset Special	31	28.11	0.88	♦	4.1
January	Atlanta Inv 10p	105	12.12	♦1.1	1.3	1.5
November	Atlantic Assets	79	19.9	0.3	1.2	0.5
November	Baillie Gifford Japan	219	17.10	0.3	1.4	—
No Fb My Aug	Bankers' Inv.	67	9.4	2.0	1.0	4.4
December	Berry Trust	136	14.11	†0.95	1.1	1.0
Nov. June	Bishopsgate Tst	202	31.10	♦3.5	♦	2.5
May Dec.	Border & Sthn. 10p	129	30.4	3.15	1.0	3.8
Apr. Sept.	Brit. Am. & Gen.	82	27.2	2.6	1.1	4.5
Ap Jy O Jan	British Assets	145xd	14.5	g5.6	1.0	5.5
May Nov.	Brit. Emp. Secs. 5p	23	30.4	0.9	1.2	5.6
Feb. Aug.	Brit. Ind. & Gen. Dfd.	240	20.6	♦5.0	1.0	3.0
Dec. June	Brit. Invest.	283xd	14.5	11.7	♦	5.9
Apr. Aug.	Bronner Inv.	56	30.1	1.83	1.0	4.7
Dec. Aug.	Caledonia Invs.	840	14.11	†15.5	1.0	—
Jun. Dec.	Cambrian and Gen.	72xd	14.5	†0.85	0.9	1.7
Jan June	Do. Cap 7½p	128	—	—	—	—
Apr Oct	Camellia Invs. 10p	£11	26.3	9.0	0.7	—
Sept. Mar.	Cardinal Dfd.	146	12.12	♦3.83	1.0	3.7
May	Char'l Is. Inc. £1	212	27.2	Q44%	1.0	20.8
—	Do. Cap	378	3'68	—	—	—
—	C.I.R. Pacific Inv.Tst	94	—	—	—	—
—	Do. Warrants	30	—	—	—	—
Aug. Mar.	Charter Trust	61	30.1	1.98	1.0	4.6
—	Child Health £1	280	—	—	—	—
Mar. Sept.	City & Com. Inc.	32	26.3	3.3	1.0	13.3
Mar Sept	Do. Cap. (£1)	427	—	—	—	—
April	City & For. Inv.	97	3'83	3.3	♦	4.9
Nov. June	City of Oxford	176	31.10	6.1	♦	5.1
May	Cons. Venture Tst. 10p	98	9.4	0.85	♦	1.2
—	Do. Warrants	28	—	—	—	—
—	Do. 120 Warrants	25	—	—	—	—
Feb. Aug.	Continental & Ind	443	12.12	†15.3	1.0	4.9
March	Cres'nt Japan 50p	126	13.2	h0.3	1.2	—
—	Cystic Fibrosis £1	275	—	—	—	—
Feb. Aug.	Danae (Inc.)	54½	16.1	†4.0	1.1	10.5
—	Do. (Cap) 2p	9	—	—	—	—
Aug. Feb.	Derby Tst. Inc. £1	365	30.1	25.0	1.0	9.8
—	Do. Cap. 50p	435	—	—	—	—
Apr Aug	Drayton Japan	317	27.2	3.0	0.4	1.4
May Dec.	Drayton Cons.	261	14.11	8.5	1.0	4.7
Apr. Aug.	Drayton Far East	104	27.2	0.85	0.9	1.2
—	Do. Warrants '82-91	34	—	—	—	—
Apr. Aug.	Drayton Premier	520	30.4	11.5	1.0	5.1
Nov. May	Dualvest Inc. 50p	60xd	14.5	8.48	♦	20.2
Oct. May	Do. Capital £1	805	—	—	—	—
Jan. July	Dundee & Lon.	148	12.12	4.35	1.0	4.2
April	Edinburgh Am. Tst.	150	12.3	0.85	1.2	0.8
July Dec	Edinburgh Fin Tst	48	12.12	0.6	1.4	1.8
June Dec.	Edinburgh Inv.	89xd	14.5	♦2.5	♦	4.0
Jan. July	Electra Inv. Tst.	94	12.12	3.47	♦	5.4
Feb. Aug.	Elect. & Gen.	217	30.12	†3.1	1.2	2.0
April	Energy Res. & Serv. $5	450	26.3	Q15c	♦	2.3
April	Eng & Dutch Inv (PICU)	£22	26.3	vQ47%	0.9	4.5
Nov. July	Eng. & Internatl	212	14.11	6.25	♦	4.3
—	Do. Warrants	34	—	—	—	—

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Several opposing factors

BY COLIN MILLHAM

The dollar and sterling fell sharply last week as both currencies suffered a loss of confidence and it was suggested that if any currency was to benefit from the present situation it would probably be the D-mark.

Interest rates were the main factor depressing the dollar, amid comments that liquidity problems within the U.S. banking system could put a limit on any upward trend in rates, and that if several banks apart from Continental Illinois were experiencing trouble the Federal Reserve might be forced to inject so much money into the New York money market that interest rates would fall substantially.

The Federal Open Market Committee met last week and although the details are not yet known, probably took no decision with regard to monetary policy against a background of possible growing inflationary pressure and fears of loss of confidence among investors in the U.S.

There were several opposing factors influencing most of the major currencies. The D-mark was regarded as the main beneficiary from any flight from the dollar, but had to contend with the effects of the German metalworkers' strike on the major engineering companies.

A draft agreement between Japan and the U.S. to open up capital markets in Tokyo and create a wider international role for the yen led to strong demand for the Japanese currency and the underlying position of the yen looks very strong. But fears about world oil supplies as a result of the attacks on shipping caught up in the war between Iran and Iraq were not favourable for the currency.

Although the yen gained ground on the depressed dollar during the week it lost ground to the Deutsche Mark.

Sterling gained some support from concern about the oil supply situation, but this was rather limited, while the pound was not helped to any great extent by speculation about a possible rise in London clearing bank base rates. The disappointing result of talks between the National Union of Mineworkers and the National Coal Board was partly responsible for pushing sterling to a record low against the dollar in New York on Wednesday.

£ in New York

	May 25	Prev. close
Spot	$1.3830-3840	$1.3835-3850
1 month	0.24-0.26 dis	0.24-0.27 dis
3 months	0.76-0.79 dis	0.81-0.85 dis
12 months	3.40-3.50 dis	3.55-3.65 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

May 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.3800-1.3890	1.3845-1.3855	0.23-0.28c dis	−2.21	0.76-0.80dis	−2.24
Canada	1.7880-1.7980	1.7920-1.7930	0.25-0.33c dis	−1.94	0.88-0.98dis	−2.09
Nethlnd.	4.2150-4.2650	4.2450-4.2550	1⅛-1c pm	3.18	3⅝-3¼pm	3.41
Belgium	76.30-77.00	76.80-76.90	13-21c dis	−2.65	39-49dis	−2.29
Denmark	13.75-13.89	13.82½-13.84½	1-2ore dis	−1.30	3¼-3¾dis	−1.07
Ireland	1.2240-1.2320	1.2290-1.2300	0.22-0.30p dis	−2.54	0.60-0.75dis	−2.20
W. Ger.	3.7450-3.99	3.7675-3.7775	1⅛-⅞pf pm	3.18	3⅛-3⅞pm	3.45
Portugal	192.25-194.00	192.50-193.50	117-257c dis	−11.63	358-776dis	−11.75
Spain	211.00-212.25	211.60-211.90	85-110c dis	−5.53	300-350dis	−6.14
Italy	2,323-2,338	2,332.5-2,335.5	11-13lire dis	−6.17	34-36½dis	−6.02
Norway	10.72-10.78	10.73-10.75	2⅞-3⅞ore dis	−3.77	5½-8½dis	−2.53
France	11.56-11.64	11.60-11.61	3⅛-3⅞c dis	−3.62	10⅝-12½dis	−3.92
Sweden	11.10-11.16	11.11½-11.13½	1¼-2¼ore dis	−1.89	3⅛-4½dis	−1.42
Japan	319.50-321.50	320.25-321.25	0.76-0.67y pm	2.67	2.57-2.44pm	3.12
Austria	26.25-26.55	26.48-26.53	4⅞-3⅞gro pm	1.98	18-14½pm	2.45
Switz.	3.0950-3.1300	3.1075-3.1175	1⅛-1⅛c pm	5.06	4⅜-4pm	5.39

Belgian rate is for convertible francs. Financial franc 78.15-78.25. Six-month forward dollar 1.60-1.65c dis, 12-month 3.48-3.58c dis.

OTHER CURRENCIES

May. 25	£	$		£ Note Rates
Argentina Peso	58.68-58.82	42.42-42.48	Austria	26.40-26.70
Australia Dollar	1.5360-1.5380	1.1105-1.1115	Belgium	77.40-78.20
Brazil Cruzeiro	2,144.4-2,157.1	1,550-1,558	Denmark	13.78-13.92
Finland Markka	7.9495-7.9860	5.7775-5.7825	France	11.57-11.69
Greek Drachma	149.40-149.70	108.00-108.30	Germany	3.75½-3.79½
Hong Kong Dollar	10.812-10.822	7.8140-7.8160	Italy	2320-2355
Iran Rial	123.50*	88.10*	Japan	319-324
Kuwait Dinar (KD)	0.40985-0.41015	0.29580-0.29590	Netherlands	4.23-4.27
Luxembourg Fr.	76.80-76.90	55.49-55.51	Norway	10.72-10.83
Malaysia Dollar	3.1915-3.1975	2.3065-2.3095	Portugal	188-196
New Zealand Dlr.	2.1325-2.1375	1.5420-1.5445	Spain	205-214¼
Saudi Arab. Riyal	4.8755-4.8805	3.5205-3.5210	Sweden	11.09-11.21
Singapore Dollar	2.9085-2.9145	2.1020-2.1045	Switzerland	3.10½-3.13½
Sth African Rand	1.7665-1.7705	1.2755-1.2785	United States	1.37¼-1.39¼
U.A.E. Dirham	5.0855-5.0910	3.6720-3.6730	Yugoslavia	184-213

* Selling rates.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU May 25	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.9008	45.5439	+1.43	+1.36	±1.5447
Danish Krone	8.14104	8.20226	+0.75	+0.68	±1.6425
German D-Mark	2.24184	2.23415	−0.34	−0.41	±1.0642
French Franc	6.87456	6.87874	+0.06	−0.01	±1.4052
Dutch Guilder	2.52595	2.51787	−0.32	−0.39	±1.4964
Irish Punt	0.72569	0.727937	+0.31	+0.24	±1.6699
Italian Lira	1403.49	1380.91	−1.61	−1.61	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

FORWARD RATES AGAINST STERLING

	Spot	1 month	3 month	6 month	12 month
Dollar	1.3850	1.3875	1.3927	1.4011	1.4203
D-Mark	3.7725	3.7625	3.7383	3.7039	3.6413
French Franc	11.6050	11.6387	11.7204	11.8482	12.0924
Swiss Franc	3.1125	3.0996	3.0700	3.0267	2.9426
Japanese Yen	320.75	320.06	318.22	315.18	309.09

BANK OF ENGLAND TREASURY BILL TENDER

	May 25	May 18		May 25	May 18
Bills on offer	£100m	£100m	Top Accepted rate of discount	8.9846%	8.8843%
Total of applications	£921.485m	£655.08m	Average rate of discount	8.9803%	8.8564%
Total allocated	£100m	£100m	Average yield	9.19%	9.06%
Minimum accepted bid	£97.76	£97.785	Amount on offer at next tender	£100m	£100m
Allotment at minimum level	67%	3%			

THE DOLLAR SPOT AND FORWARD

May 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.3800-1.3890	1.3845-1.3855	0.23-0.28c dis	−2.21	0.75-0.80dis	−2.24
Ireland†	1.1235-1.1275	1.1265-1.1275	0.07-0.01c pm	0.43	0.10pm-0.03d	0.12
Canada	1.2925-1.2970	1.2940-1.2945	0.04-0.02c pm	0.28	0.08-0.06pm	0.22
Nethlnd.	3.0650-3.0830	3.0675-3.0695	1.38-1.35c pm	5.34	4.38-4.34pm	5.68
Belgium	55.40-55.55	55.49-55.51	5-7c dis	−1.30	5-8dis	−0.50
Denmark	9.98-10.02½	9.98¼-9.99¼	1.35-0.85ore pm	1.32	4.65-4.15pm	1.76
W. Ger	2.7030-2.7355	2.7220-2.7230	1.24-1.19pf pm	5.35	3.87-3.82pm	5.65
Portugal	139.00-139.75	139.15-139.65	60-160c dis	−9.46	180-480dis	−9.46
Spain	152.65-153.30	152.70-152.80	45-60c dis	−4.11	145-175dis	−4.18
Italy	1,685-1,690	1,685½-1,686½	5½-6lire dis	−4.09	15¼-16¼dis	−3.73
Norway	7.7525-7.7925	7.7525-7.7575	0.80-1.30ore dis	−1.62	1.20-1.70dis	−0.75
France	8.3300-8.4250	8.3825-8.3875	0.80-1.10c dis	−1.36	3.25-4.25dis	−1.79
Sweden	8.0300-8.0600	8.0300-8.0350	.40ore pm-.10 dis	0.22	1.90-1.40pm	0.82
Japan	230.50-232.25	231.45-231.55	0.93-0.89y pm	4.71	3.11-3.04pm	5.30
Austria	19.02-19.16½	19.13-19.14	7.00-6.50gro pm	4.25	24-22pm	4.32
Switz.	2.2375-2.2600	2.2445-2.2455	1.38-1.28c pm	7.09	4.33-4.23pm	7.61

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 55.40-56.50.

CURRENCY MOVEMENTS

May. 25	Bank of England Index	Morgan Guaranty Changes%
Sterling	79.4	−11.4
U.S. dollar	130.9	+19.3
Canadian dollar	88.7	−3.4
Austrian schilling	116.4	+3.9
Belgian franc	90.2	−11.1
Danish kroner	78.1	−5.7
Deutsche mark	125.8	+8.1
Swiss franc	147.1	+11.5
Guilder	115.0	+4.6
French franc	66.3	−15.3
Lira	48.3	−13.0
Yen	157.6	+15.8

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

CURRENCY RATES

May 25	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.752646	0.592500
U.S. $	9	1.04249	0.820021
Canadian $	11.60	*	1.06217
Austria Sch.	4¼	19.9679	15.6870
Belgian Fr	11	57.9103	45.5439
Danish Kr.	7	10.4431	8.20226
D'mark	4	2.84141	2.23415
Guilder	5	3.20044	2.51787
French Fr.	9½	8.75431	6.87874
Lira	15½	1760.35	1380.91
Yen	5	240.242	189.235
Norwgn Kr.	8	8.11891	6.36951
Spanish Pta.	—	159.605	125.545
Swedish Kr.	8½	8.39517	6.60117
Swiss Fr	4	3.34633	1.84669
Greek Dr'ch	20½	112.745	88.5048

*C$/SDR rate for May 24: 1.34591.

EXCHANGE CROSS RATES

May 24	Pound St'rling	U.S. Dollar	Deutsche m'k	J'panese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.385	3.773	320.8	11.605	3.113	4.250	2334.	1.793	76.85
U.S. Dollar	0.722	1.	2.723	231.5	8.385	2.246	3.069	1686.	1.294	55.50
Deutschemark	0.265	0.367	1.	85.02	3.076	0.825	1.127	618.7	0.475	20.38
Japanese Yen 1,000	3.118	4.318	11.76	1000.	36.18	9.704	13.25	7277.	5.588	239.6
French Franc 10	0.862	1.193	3.251	276.4	10.	2.682	3.662	2011.	1.545	66.22
Swiss Franc	0.321	0.445	1.212	103.1	3.729	1.	1.365	749.9	0.576	24.69
Dutch Guilder	0.235	0.326	0.888	75.47	2.731	0.732	1.	549.2	0.422	18.08
Italian Lira 1,000	0.428	0.593	1.616	137.4	4.972	1.334	1.821	1000	0.768	32.93
Canadian Dollar	0.558	0.773	2.105	178.9	6.474	1.736	2.371	1302.	1.	42.87
Belgian Franc 100	1.301	1.802	4.909	417.4	15.10	4.050	5.530	3037.	2.332	100.0

EURO-CURRENCY INTEREST RATES (Market closing rates)

May 25	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Kroner
Short term	7-7¼	10⅛-10⅜	9¾-10¼	5⅛-5⅝	22-24	5⅝-5¾	11¾-12	14½-18⅛	12-12½	11½-12¼	5¼-5⅞	10¼-10¾
7 days' notice	7⅜-7⅝	10¼-10½	10-10½	5¾-5⅞	7¾-8	5⅜-5½	11¾-12	14⅛-15⅛	12½-13	11½-11¾	5⅞-6	9½-10
Month	8¾-8⅞	10¾-11	10½-10¾	5 5/16-5 7/16	3 13/16-4 1/16	5⅛-5⅝	11⅞-12⅛	14⅞-15⅜	12¼-12¾	11⅝-11⅞	6 3/16-6 5/16	9⅝-10⅛
Three months	9⅝-9¾	11 1/16-11 3/16	11½-11¾	6 1/16-6 3/16	4⅛-4¼	6 1/16-6 3/16	13⅜-13⅝	15⅜-15⅞	12½-13	11⅞-12⅛	6⅛-6⅜	10⅝-10⅞
Six months	10 3/16-10 7/16	12 3/16-12 5/16	12 5/16-12 7/16	6⅜-6½	4⅜-4½	6 7/16-6 9/16	14¼-14½	16⅛-16⅝	12¾-13¼	12-12¼	6⅜-6½	10⅝-11⅛
One year	10⅝-10¾	13⅛-13⅜	13-13¼	6¾-6⅞	4½-4⅝	6⅝-6¾	15-15¼	17¼-17¾	13¼-13¾	12¼-12½	6½-6⅝	12⅜-12⅞

Asian $ (closing rates in Singapore): Short-term 10 9/16-10 11/16 per cent; seven days 10¾-10⅞ per cent; one month 10 15/16-11 1/16 per cent; three months 11 13/16-11 15/16 per cent; six months 12½-12⅝ per cent; one year 13¼-13⅜ per cent. Long-term Eurodollars two years 13⅝-13⅞ per cent; three years 13¾-14 per cent; four years 14-14⅛ per cent; five years 14⅛-14⅜ per cent nominal closing rates. Short-term rates are call for U.S. banks and Japanese yen; two days' notice.

MONEY MARKETS

Rates hover nervously

Interest rates hovered nervously on the London money market as last week drew to a close. The gilt market virtually collapsed on Thursday after sterling had fallen to a record low against the dollar in New York; the talks between the National Coal Board and the National Union of Mineworkers broke up in disarray; the U.S. bond market weakened; and the Chancellor of the Exchequer suggested to the Confederation of British Industry annual dinner that money supply and the public sector borrowing requirement would rise sharply in coming months.

This led to suggestions the Government could not fund its deficit without a substantial rise in clearing bank base rates, and on Friday morning money market rates were very firm.

At the same time it was generally felt in the money market that the authorities were strongly opposed to higher interest rates and might be prepared to wait until the latest events unwind in the U.S.

The Bank of England was prepared to buy some longer dated band 4 bills at 8 13/16 per cent on Friday compared with the general rate of 8⅞ per cent, and dealers in London commented that providing the authorities continue to purchase similar bills at favourable rates to take out the shortage, the short end of the market will stay liquid and pressure can be kept off the interest rate structure.

It is also possible the Government Broker will be prepared to cut his price of the tap stock to encourage funding, and against this background the Bank of England can probably hold out for a little longer before surrendering to higher base rates.

Barclays Bank has shown little enthusiasm to operate its new formula linking base rates to market rates, and is also likely to hold back at present. Strong growth in the U.S. economy, followed by inflationary pressure, was expected to produce a tightening of Federal Reserve monetary policy, but the sudden weakening of confidence on rumours about liquidity problems among U.S. banks, has led to suggestions that U.S. rates might fall.

If this is the case there seems little point in raising base rates to 10 or 10½ per cent, only to see them sliding down again very quickly, but at the moment the market is very nervous, and it is difficult to see where rates will be in a week or so.

MONEY RATES

May 25	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.5-5.55	11⅞	1-2	5½-5⅝	5.84375	16¼-16⅞	11.00	9½-10
One month	5.85-6.00	12 1/16-12 3/16	3⅞-4	5 9/16-5 11/16	6.21875	16½-16⅞	11⅝-11⅞	11¼-11½
Two months	5.95-6.10	12⅛-12¼	—	—	—	—	—	11⅞-12⅛
Three months	6.10-6.25	12¼-12⅜	4 1/16-4 3/16	6 1/16-6 3/16	6.28125	16⅝-17	11⅞-12⅛	12-12¼
Six months	6.30-6.45	12½-12⅝	—	6 3/16-6 5/16	—	—	12-12¼	12½-12¾
Lombard	5.5	—	—	—	—	—	—	—
Intervention	—	11¾	—	5⅞	—	—	—	—

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

May 25 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	2-7¼	6-7¼	6-7½	3-6	—	—	—	—	—
2 days notice	—	—	7⅝-8	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	6⅝-8	8-8¼	7½-7⅝	7¼	—	—	—	—	—
One month	8¾-8⅞	8⅝-8 13/16	8¾	8¾-8⅞	8½	8¾	8½	8¾-8⅞	8½-8¾	9⅜
Two months	9 1/16-9¼	9 1/16-9 3/16	9¼	9⅝	9	9¼	8⅞	9¼-9⅜	8⅞-9	9⅞
Three months	9¼-9⅜	9⅜-9 7/16	9 7/16	9⅞	9	9	8⅞	9⅛-9⅝	9⅛-9¼	10⅛
Six months	10 1/16-9 15/16	10⅛-10⅜	10⅛	—	—	—	—	9⅞-10	9½-9¾	10½
Nine months	10⅜-10¼	10 1/16-10½	10⅜	—	—	—	—	—	—	—
One year	10⅛-10 3/16	10 1/16-10 5/16	10⅛	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	9⅛-9⅛	—	8⅝	10.75-10.85	9 1/16-9 3/16	8 11/16-9⅛
Two months	9⅞-9½	—	9⅜	11.25-11.35	9 5/16-9 7/16	9¼-9 7/16
Three months	10⅛-9¾	—	9¾	11.6-11.7	9⅞-10⅛	9⅜-9⅝
Six months	10⅜-10	—	10¼	12.35-12.45	10⅜-10⅝	9 13/16-10
Nine months	10¾-10⅜	—	10½	12.65-12.75	—	—
One year	10¾-10½	—	10⅝	12.9-13.10	11-11¼	10 5/16-10½
Two years	—	11½	—	—	—	—
Three years	—	11¾	—	—	—	—
Four years	—	12	—	—	—	—
Five years	—	12	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV: Average Rate of Interest period April 4 to May 1 1984 (inclusive): 8.934 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 9 per cent from May, 1984. London and Scottish Clearing Bank Rates for lending 9-9¼ per cent. London Deposit Rate for sums at seven days' notice 5¾-6 per cent. Treasury Bills: Average tender rate of discount 8.9803 per cent. Certificates of Tax Deposit (Series 6). Deposit of £100,000 and over held under one month 9 per cent; one-three months 9¼ per cent; three-six months 9¾ per cent; six-nine months 10¼ per cent; nine-12 months 10½ per cent. Under £100,000 9 per cent from May 25. Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 7 per cent.

NEW YORK (4 pm)

Prime rate	12½
Broker loan rate	11½
Fed funds	10
No Fed intervention	(—)

Treasury Bills

One month	8.60
Two month	9.40
Three month	9.61
Six month	10.39
One year	10.78

Treasury Bonds

Two year	99 23/32
Three year	99 23/32
Four year	96¾
Five year	93⅞
Seven year	94⅞
10 year	98 21/32
30 year	96 11/32

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING
(11.00 a.m. May 25)

3 months U.S. dollars	
bid 11 3/4	offer 11 7/8

6 months U.S. dollars	
bid 12 7/16	offer 12 9/16

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust

FINANCIAL FUTURES

LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

	Close	High	Low	Prev
June	88.26	88.35	88.16	88.20
Sept	86.99	87.11	86.78	86.90
Dec	86.30	86.49	86.14	86.31
March	85.38	85.93	85.88	85.92
June	85.63	85.67	85.63	85.62

Volume 9.778 (8.910)
Previous day's open int. 14,273 (14,567)

THREE-MONTH STERLING DEPOSIT
£250,000 points of 100%

	Close	High	Low	Prev
June	90.31	90.35	90.27	90.48
Sept	89.36	89.50	89.30	89.57
Dec	88.88	89.00	88.77	89.10
March*	88.42	88.48	88.42	88.55
June*	88.10	88.10	88.10	88.24

Volume 1,177 (2,184)
Previous day's open int. 8,611 (8,498)
* £500,000 points of 100%

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

	Close	High	Low	Prev
June	102-02	102-08	101-04	101-15
Sept	101-07	101-09	100-10	100-23
Dec	100-22	100-23	99-30	100-06
March	100-13	100-13	100-05	99-26
June	100-08	—	—	99-16

Volume 4,537 (5,372)
Previous day's open int. 7,451 (7,606)
Basis quote (clean cash price of 13¾% Treasury 2003 less equivalent price of near futures contract) 16 to 28 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
June	1.3845	1.3865	1.3835	1.3800
Sept	1.3920	—	—	1.3885
Dec	1.4002	—	—	1.3980

Volume 100 (1,409)
Previous day's open int. 4,128 (3,617)

DEUTSCHE MARKS
DM 125,000 $ per DM

	Close	High	Low	Prev
June	0.3684	0.3694	0.3667	0.3647
Sept	0.3738	0.3756	0.3728	0.3700

Volume 568 (29)
Previous day's open int. 578 (574)

SWISS FRANCS
SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
June	0.4468	—	—	0.4416
Sept	0.4558	—	—	0.4505

Volume nil (18)
Previous day's open int. 1,162 (1,178)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.4323	0.4338	0.4323	0.4325
Sept	0.4385	0.4392	0.4385	0.4385

Volume 6 (36)
Previous day's open int. 362 (373)

FT-SE 100 INDEX
£25 per full index point

	Close	High	Low	Prev
June	104.55	105.30	103.20	104.35
Sept	103.65	104.66	102.80	103.35
Dec	105.50	—	—	104.90

Volume 731 (1,191)
Previous day's open int. 1,194 (962)

CHICAGO

U.S. TREASURY BONDS (CBT) 8%
$100,000 32nds of 100%

	Close	High	Low	Prev
June	60.27	61.08	60.11	60.26
Sept	60.03	60.16	59.20	60.02
Dec	59.19	59.28	59.04	59.18
March	59.08	59.18	58.28	59.07
June	58.31	59.07	58.24	58.31
Sept	58.24	59.05	58.18	58.25
Dec	58.18	58.24	58.13	58.20
March	58.13	58.22	58.11	58.16

U.S. TREASURY BILLS (IMM) $1m
points of 100%

	Close	High	Low	Prev
June	90.18	90.36	89.96	90.04
Sept	88.63	88.70	88.53	88.55
Dec	88.04	88.16	87.97	87.99
March	87.71	87.79	87.60	87.65
June	87.46	87.56	87.36	87.41
Sept	87.27	87.28	87.21	87.25
Dec	87.10	87.10	87.02	87.09
March	86.96	86.96	0	86.96

CERT. DEPOSIT (IMM) $1m points of 100%

	Close	High	Low	Prev
June	88.42	88.52	88.33	88.32
Sept	87.12	87.22	87.91	87.00
Dec	86.40	86.57	85.93	86.38
March	86.00	86.12	85.90	86.00

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

	Close	High	Low	Prev
June	87.99	88.09	87.93	87.91
Sept	86.65	86.78	86.56	86.55
Dec	85.93	86.14	85.89	85.93
March	85.51	85.68	85.41	85.53
June	85.19	85.28	85.15	85.20

STERLING (IMM) $s per £

	Close	High	Low	Prev
June	1.3845	1.3895	1.3840	1.3825
Sept	1.3915	1.3970	1.3905	1.3905
Dec	1.3995	1.4050	1.4005	1.3995
March	1.4085	1.4130	1.4100	1.4086

GNMA (CBT) 8% $100,000 32nds of 100%

	Close	High	Low	Prev
June	64.31	65.23	64.27	65.13
Sept	63.22	64.12	63.18	64.03
Dec	62.22	63.05	62.16	62.31
March	61.27	62.09	61.24	62.03
June	61.07	—	—	61.12
Sept	60.19	60.22	60.14	60.26
Dec	60.06	60.09	60.03	60.13

WEEKLY CHANGE IN WORLD INTEREST RATES

	May 25	change
LONDON		
Base rates	9-9¼	Unch'd
7 day interbank	7⅝	−1¼
3 mth interbank	9 7/16	+¼
Treasury Bill Tender	8.9803	+0.1259
Band 1 Bills	9 1/16	Unch'd
Band 2 Bills	9	Unch'd
Band 3 Bills	8 15/16	Unch'd
3 Mth. Treasury Bills	9	+ 1/32
1 Mth. Bank Bills	8 29/32	Unch'd
3 Mth. Bank Bills	9 1/32	+¾
TOKYO		
One month Bills	6.21875	+0.0625
Three month Bills	6.28125	Unch'd
BRUSSELS		
One month	11¾	+⅛
Three month	12	+¼
AMSTERDAM		
One month	5⅞	− 1/16
Three month	6⅛	− 1/16

	May 25	change
NEW YORK		
Prime rates	12½	Unch'd
Federal funds	10	+¾
3 Mth. Treasury Bills	9.61	−0.24
6 Mth. Treasury Bills	10.38	+0.13
3 Mth. C D	11.25	Unch'd
FRANKFURT		
Lombard	5.50	Unch'd
One Mth. Interbank	5.875	+0.05
Three month	6.175	+0.05
PARIS		
Intervention Rate	11¾	Unch'd
One Mth. Interbank	12⅛	+⅛
Three month	12 5/16	+ 1/16
MILAN		
One month	16 11/16	Unch'd
Three month	16 13/16	Unch'd
DUBLIN		
One month	11⅜	−½
Three month	12⅛	−¼

London—band 1 bills mature in up to 14 days, band 2 bills 15 to 33 days, and band 3 bills 34 to 63 days. Rates quoted represent Bank of England buying or selling rates with the money market. In other centres rates are generally deposit rates in the domestic money market and their respective changes during the week. Band 4 bills 8⅞-8 15/16.

WORLD VALUE OF THE POUND

The table below gives the latest available rate of exchange for the pound against various currencies on May 25, 1984. In some cases rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling-dollar rates; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (Bk) bankers' rates; (cm) commercial rate; (ch) convertible rate; (fn) financial rate; (exC) exchange certificate rate; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

COUNTRY	CURRENCY	VALUE OF £ STERLING
Afghanistan	Afghani	99.00
Albania	Lek	10.06
Algeria	Dinar	(A) 6.8310
Andorra	French Franc Spanish Peseta	11.605 211.75
Angola	Kwanza	(CM) 43.7625
Antigua	E. Caribbean $	3.74
Argentina	New Peso	58.75
Australia	Australian $	1.5370
Austria	Schilling	26.505
Azores	Portugu'se Escudo	193.00
Bahamas	Ba. Dollar	1.3850
Bahrain	Dinar	0.5215
Balearic Isles	Spa. Peseta	211.75
Bangladesh	Taka	34.73
Barbados	Barbados $	2.7700
Belgium	B. Franc	(cm) 76.85 (fn) 78.20
Belize	B.S.	2.7700
Benin	C.F.A. Franc	580.25
Bermuda	Bda $	1.3850
Bhutan	Indian Rupee	15.29
Bolivia	Bolivian Peso	(O) 2,770.0
Botswana	Pula	1.6350
Brazil	Cruzeiro ‡‡	2,150.75
Brit. Virgin Isles	U.S. $	1.3850
Brunei	Brunei $	2.9115
Bulgaria	Lev	1.4120
Burma	Kyat	11.4550
Burundi	Burundi Franc	163.265
Cameroon	C.F.A. Franc	580.25
Canada	Canadian $	1.7925
Canary Islands	Spanish Peseta	211.75
Cape Verde Is	Cape V. Escudo	110.70
Cayman Islands	Cay. Is. $	1.1541
Cent.Afr. Republic	C.F.A. Franc	580.25
Chad	C.F.A. Franc	580.25
Chile	Chilean Peso	123.55
China	Renminbi Yuan	3.0400
Colombia	Col. Peso	(F) 134.3
Comoro Islands	C.F.A. Franc	580.25
Congo (Brazaville)	C.F.A. Franc	580.25
Costa Rica	Colon	(U) 60.10
Cuba	Cuban Peso	1.2135
Cyprus	Cyprus £	0.781
Czechoslovakia	Koruna	(com) 9.40 n/c 16.36 15.84(9)
Denmark	Danish Kroner	13.835
Djibouti	Djibouti Franc	238 (sg)
Dominica	E. Caribbean £	3.74
Dominican Repub'	Dominican Peso	(O) 1.3850 (7) 4.1550
Ecuador	Sucre	(O) 88.33 (F) 124.20
Egypt	Egyptian £	(U) 1.1495 1.6620(8)
Equatorial Guinea	Ekuele	423.5
Ethiopia	Ethiopian Birr	(P) 2.8500
Falkland Islands	Falkland Is. £	1.0
Faroe Islands	Danish Kroner	13.835
Fiji Islands	Fiji $	1.4595
Finland	Markka	7.96775
France	French Franc	11.605
French C'ty in Af	C.F.A. Franc	580.25
French Guiana	Local Franc	11.605
French Pacific Is.	C.F.P. Franc	202 (sg)
Gabon	C.F.A. Franc	580.25
Gambia	Dalasi	6.00
Germany (East)	Ostmark	3.7725
Germany (West)	Deutsche Mark	3.7725
Ghana	Cedi	48.58
Gibraltar	Gibraltar £	1.0
Greece	Drachma	149.55
Greenland	Danish Kroner	13.835
Grenada	E. Caribbean $	3.74
Guadaloupe	Local Franc	11.605
Guam	U.S. $	1.3850
Guatemala	Quetzal	1.3850
Guinea	Syli	32.80
Guinea-Bissau	Peso	111.80
Guyana	Guyanese $	5.1915
Haiti	Gourde	6.9925
Honduras	Lempira	2.7820
Hong Kong	H.K. $	10.817
Hungary	Forint	64.86‡‡
Iceland	I. Krona	41.075
India	Ind. Rupee	15.29
Indonesia	Rupiah	1,396.0
Iran	Rial	123.50(sg)
Iraq	Iraqi Dinar	0.4277
Irish Republic	Irish £	1.2295
Israel	Shekel	272.0
Italy	Lira	2,334.0
Ivory Coast	C.F.A. Franc	580.25
Jamaica	Jamaica Dollar	6.088
Japan	Yen	320.75
Jordan	Jordanian Dinar	0.525
Kampuchea	Riel	N/A
Kenya	Kenya Shilling	19.58
Kiribati	Australian $	1.5370
Korea (Nth)	Won	1.6555(‖)
Korea (Sth)	Won	1,105.9
Kuwait	Kuwaiti Dinar	0.4099
Laos	New Kip	48.475
Lebanon	Lebanese £	8.1550
Lesotho	Maluti	1.7685
Liberia	Liberian $	1.3850
Libya	Libyan Dinar	0.4100
Liechenstein	Swiss Franc	3.1125
Luxembourg	Lux Franc	76.85
Macao	Pataca	11.25
Madeira	Portug'se Escudo	193.00
Malagasy Republic	MG Franc	719.0
Malawi	Kwacha	1.85
Malaysia	Ringgit	3.1945
Maldive Islands	Rufiyaa	10.4565
Mali Republic	Mali Franc	1,160.5
Malta	Maltese £	0.620
Martinique	Local Franc	11.605
Mauritania	Ouguiya	78.90
Mauritius	M. Rupee	18.27
Mexico	Mexican Peso	(F) 240.80 (C) 224.90
Miquelon	Local Franc	11.605
Monaco	French Franc	11.605
Mongolia	Tugrik	4.75 (‖)
Montserrat	E. Caribbean $	3.74
Morocco	Dirham	11.88(sg)
Mozambique	Metical	(A) 58.05
Namibia	S.A. Rand	1.7685
Nauru	Australian Dollar	1.5370
Nepal	Nepalese Rupee	22.30
Netherlands	Guilder	4.25
Netherland Antilles	Antillian Guilder	2.4790
New Zealand	N.Z. Dollar	2.1350
Nicaragua	Cordoba	13.84
Niger Republic	C.F.A. Franc	580.25
Nigeria	Naira	1.050663(sg)
Norway	Norwegian Krone	10.74
Oman Sul'ate of	Rial Omani	0.4780
Pakistan	Pakistan Rupee	19.09
Panama	Balboa	1.3850
Papua N. Guinea	Kina	1.2045
Paraguay	Guarani	(O) 174.40 (F) 332.15
Peru	Sol	exc(A) 4,875.37
Philippines	Philippine Peso	19.37
Pitcairn Islands	£ Sterling New Zealand £	— 2.1350
Poland	Zloty	154.63
Portugal	Portugu'se Escudo	193.00
Puerto Rico	U.S. $	1.3850
Qatar	Qatari Ryal	5.0340
Reunion Island	French Franc	11.605
Romania	Leu	(Cm) 6.53 (N/C) 19.72
Rwanda	Rwanda Franc	137.30
St. Christopher	E. Caribbean $	3.74
St. Helena	St. Helena £	1.0
St. Lucia	E. Caribbean	3.74
St. Pierre	Local Franc	11.605
St. Vincent	E. Caribbean $	3.74
Salvador El	Colon	3.4650
Samoa American	U.S. $	1.3850
San Marino	Italian Lira	2,334.0
Sao Tome & Prin	Dobra	60.20
Saudi Arabia	Saudi Ryal	4.8780
Senegal	C.F.A. Franc	580.25
Seychelles	S. Rupee	9.49(sg)
Sierra Leone	Leone	(O) 3.45
Singapore	Singapore $	2.9115
Solomon Islands	Solomon Is. $	1.7340
Somali Republic	Somali Shilling	24.30
South Africa	Rand	1.7685
Spain	Peseta	211.75
Spanish ports in North Africa	Peseta	211.75
Sri Lanka	S. L. Rupee	34.72
Sudan Republic	Sudan £ (u)	1.8220
Surinam	S. Guilder	2.4790
Swaziland	Lilangeni	1.7685
Sweden	S. Krona	11.125
Switzerland	Swiss Franc	3.1125
Syria	Syrian £	(A) (T) 10.0 (CM) 6.20
Taiwan	New Taiwan $	54.80
Tanzania	Tan. Shilling	17.32
Thailand	Baht	31.82
Togo Republic	C.F.A. Franc	580.25
Tonga Islands	Pa'anga	1.5370
Trinidad	Trinidad & Tob $	3.3240
Tunisia	Tunisian Dinar	1.016 (sg)
Turkey	Turkish Lira	489.01
Turks & Caicos	U.S. $	1.3850
Tuvalu	Australian $	1.5370
Uganda	Uganda Shilling	(407.0 (442.0 (5)
United States	U.S. Dollar	1.3850
Uruguay	Uruguay Peso	77.32
Utd. Arab Emirates	U.A.E. Dirham	5.08825
U.S.S.R.	Rouble	1.1160
Upper Volta	C.F.A. Franc	580.25
Vanuatu	Vatu	136.0
Vatican	Italian Lira	2,334.0
Venezuela	Bolivar	(4) 5.95 (5) 10.40 (6) 22.27
Vietnam	Dong	(O) 13.80
Virgin Island U.S.	U.S. Dollar	1.3850
Western Samoa	Samoan Tala	(A) 2.3560
Yemen (Nth)	Ryal	7.88 (sg)
Yemen (Sth)	S. Yemen Dinar	(A) 0.4740
Yugoslavia	New Y Dinar	190.9968
Zaire Republic	Zaire	48.4015
Zambia	Kwacha	2.40
Zimbabwe	Zimbabwe	1.6185

* Rate is the transfer market (controlled). ‡‡ Now one official rate. (U) Unified rate. Applicable on all transactions except countries having a bilateral agreement with Egypt and who are not members of IMF. (‖) Based on gross rates against Russian rouble. (1) Essential goods. (2) Preferential rate for priority imports such as foodstuffs. (3) Non-essential imports and private sector applicant. (4) Preferential rate for public sector debt and essential imports. (5) Preferential rate. (6) Free rate for luxury imports, remittances of money abroad and foreign travel. (7) Parallel rate. (8) Rate for remittances of foreign currency by Egyptians working abroad. (9) Banknote rate.

SECTION III

FINANCIAL TIMES SURVEY

WORLD BANKING

Part two; THE BUSINESS OF BANKING

THE WORLD debt crisis may have dominated the headlines over the past couple of years. But many bankers might argue that their toughest battles lie a lot closer to home than the cities of Latin America.

The near failure of Continental Illinois, the collapse of Schroeder Muenchmeyer Hengst, even the heavy losses that Midland Bank took through its California subsidiary, Crocker National Bank—each in its way was more costly than the blackest prediction about LDC debt.

Add to that the bracing winds of financial deregulation that are sweeping through many countries and it is easy to see why the banking community would feel it was living through interesting times, even if it had never heard of Brazil.

By

David Lascelles

Banking Correspondent

Many of the strains, of course, have resulted from one of the worst recessions since 1945. As so often happens, banks tend to be hit hardest just when the recovery comes, because that is when their clients' finances are most tightly stretched.

Even though the U.S. economy began improving last year, that was precisely when things were toughest. A total of 45 banks failed in the U.S. in 1983—the highest number since the Great Depression—and another 25 had gone by mid-May this year.

In the UK, where the recovery also got under way last year, banks had to make their largest-ever provisions against bad debts. So did banks in many other countries.

Small wonder that the number of Triple A banks left in the world has shrunk to less than a dozen and that bank supervisors have been forced to take a more active role, pressing banks to beef up their capital, improve reporting standards and be more tight-fisted about dividends. Balance sheets are now becoming stronger for the first time since the late 1970s.

The worst shocks were fortunately, isolated ones which exposed bad management and the nervousness of the financial markets rather than fatal flaws in the system. Continental Illinois was probably the most worrying because the rumours about its demise could so easily have become self-fulfilling. They threatened not just the U.S. banking industry but the Euromarkets in which the bank was funding itself heavily, and through that the banks in other countries. It was the classic and much-feared chain reaction.

The Crocker losses, caused by unwise real estate loan-making, never threatened the system in the same way. But they provided a cautionary tale for other banks seeking to follow Midland into the U.S. market. Whether it will put them off is another matter: a U.S. foothold is still seen as a "must" by most large banks, but Midland taught them that keeping tight control is vital.

Like Herstatt, the SMH affair belied West Germany's carefully tended reputation for running a rock-solid banking system. But at least this time it spurred much-needed changes in banking law which should make it harder for banks to build up massive exposures to tottering industrial giants by roundabout means.

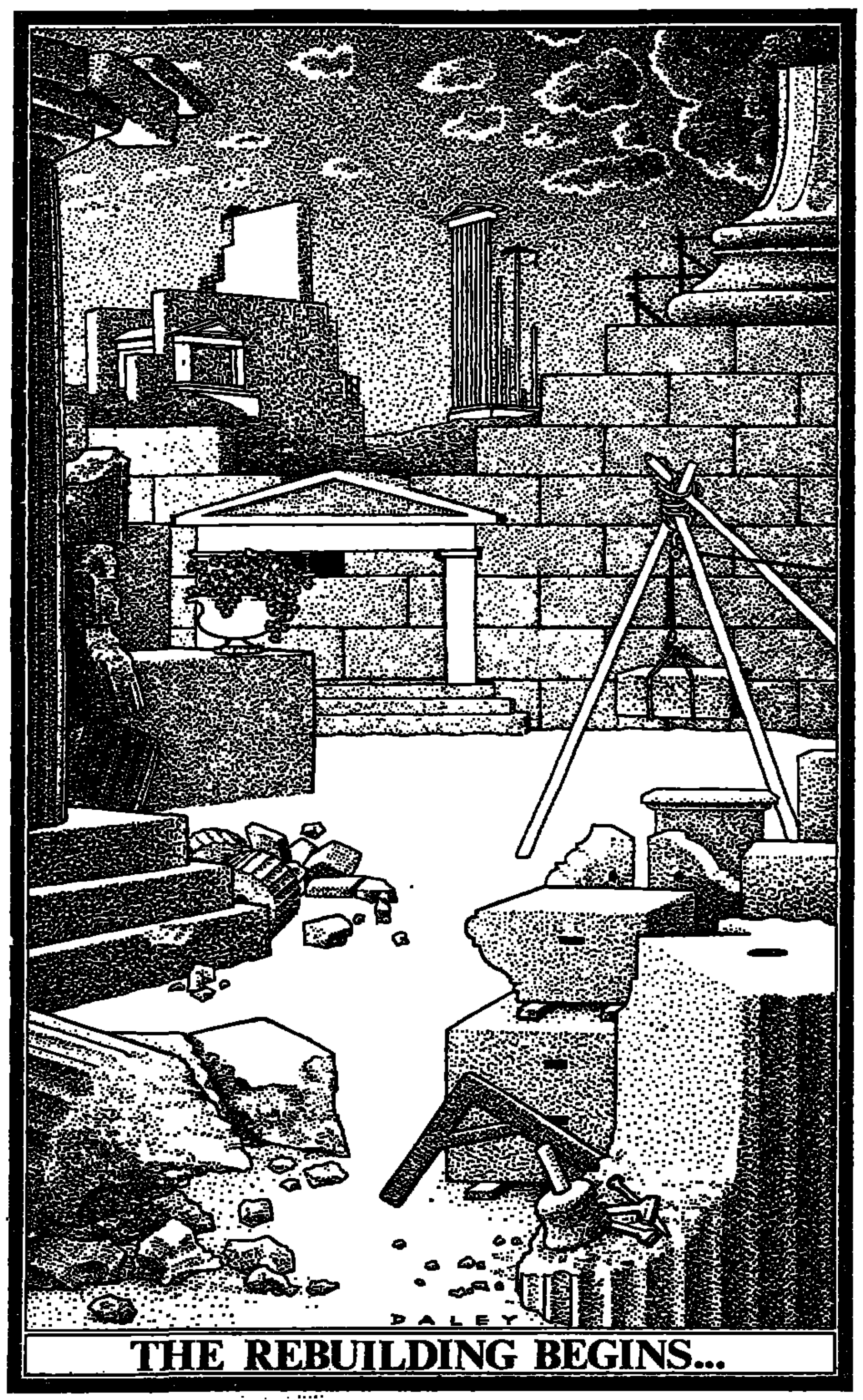
Given all these traumas, it may seem surprising that bank profits were reasonably good last year, with double-digit increases—well above inflationary recorded by most of the major international banks.

Some people have argued that this indicates that banks were not setting aside enough reserves to cover their bad debts, not "suffering" enough, particularly in the U.S., where banks have preferred to treat their Third World problem loans as "non-accruing" (not yielding interest) rather than as assets to be written down.

Who is to say what represents adequate bad debt reserves? Supervisors in several countries now tell their banks how much they should write off—another sign of the more involved role they play. They do in the U.S., too, but—as yet—only for minor problem countries. There is understandable reluctance to take this process too far, however. Banks do not need to be "nannied," or, if so, they might do better to stay outside the international doan business.

But there is more to the profits picture than that. Banks

CONTINUED ON PAGE 3



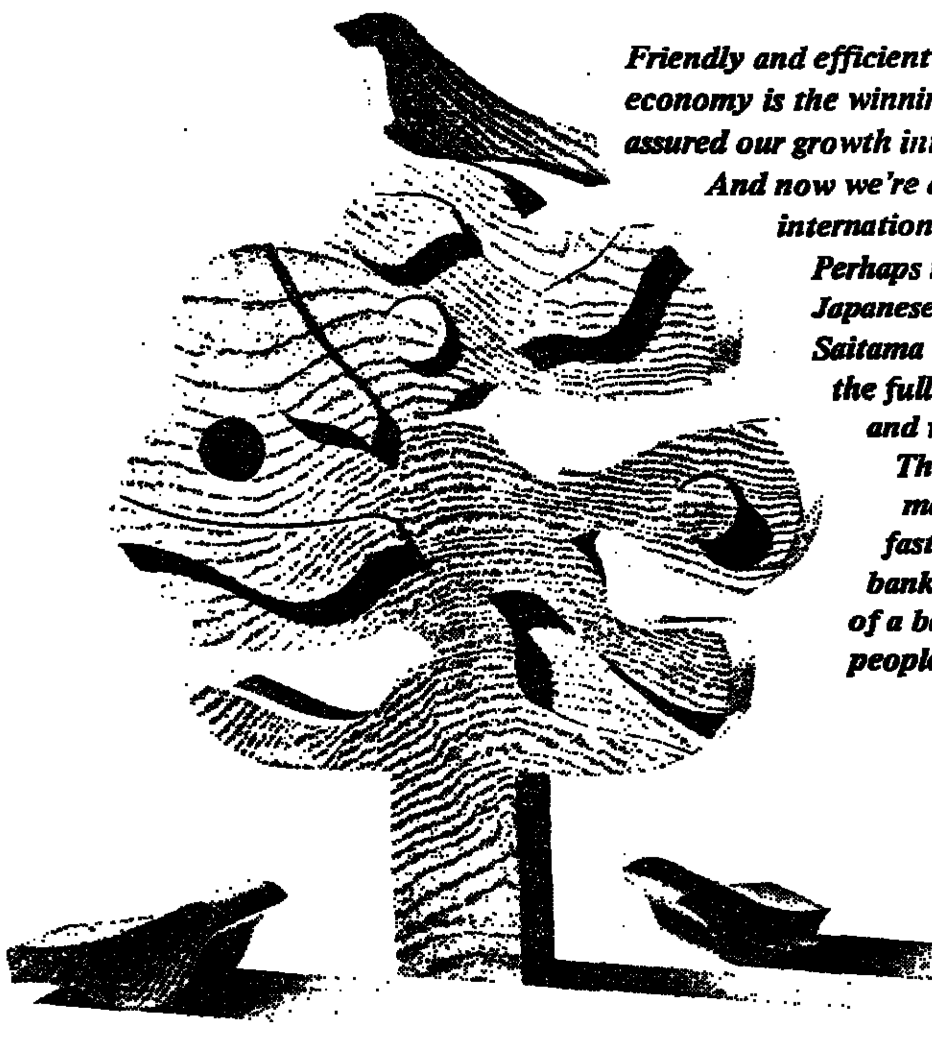
THE REBUILDING BEGINS...

Purged of some of their excesses, better capitalised and set in a more benign climate, the world's banks have reason now to be more optimistic after the stormy periods of recent years. Already post-crisis recovery patterns are beginning to emerge.

IN THIS SECTION

● Other countries in Europe and North America were featured in Part One is this survey.

Part One of this Survey appeared on Monday, May 21



UK mergers bring a conflict of interest

WHEN BRITISH officials recently examined one of the many banking-securities mergers that are rapidly transforming the U.K. financial scene, they found no fewer than 13 potential conflicts of interest.

The combined group (officials won't say which one) was active in banking, insurance, stockbroking, market-making and investment management. As one official pointed out, it was on three sides of the investment market at once: as investor, broker and market maker.

Deregulation

DAVID LASCELLES

"They did not just have dual capacity," he said. "They had triple capacity." He might have added that the group had a fourth capacity as well, that of investment adviser.

This does not mean that the merger will be stopped: the British Government still hopes to create some kind of regulatory framework that will allow the UK financial services revolution to go ahead with safeguards against conflicts.

But it highlights one of the big hurdles that the industry will have to leap not just in the UK but in many other major banking markets as well before the day of the all-round financial conglomerate arrives—if that is indeed where it is headed.

There is little doubt that the revolution is reaching a critical stage for the banks. The euphoria that greeted the early deals in the U.S. between stockbrokers, insurance companies, department stores and almost anybody who cared to join (except banks) has evaporated.

The process of change seems to have got bogged down in a legislative quagmire, created partly by the hostility of special interest groups but also by the argument that "they didn't pass Glass-Steagall for nothing."

It now seems unlikely that the Reagan Administration's Bill to allow banks to enter new fields like insurance, real estate development and bond underwriting, widening the lead that the non-banks have already built up over the banks, will get through this session. This is as frustrating for banks with grand ambitions as it is for U.S. bank supervisors who have to administer laws that have all but collapsed, so shot through are they with holes.

Similar rows are brewing in Canada and Japan, where bank laws are closely modelled on those of the U.S., and where aggressive institutions are making challenges of their own. Ironically, much of the running in Japan is being made by U.S. banks which deliberately ignore the niceties of local banking conventions—to the pleasure, it may be said, of Japanese bankers glad to see others be the pioneers.

The decision earlier this year by the Ministry of Finance in Tokyo to allow Vickers da Costa, the London stockbroker recently acquired by Citicorp, to keep its Japanese trading licence was a landmark because it gives a bank, for the first time, direct access to the Japanese securities markets.

Some might say Japan was bullied into allowing it by the U.S. Certainly, the Ministry will not allow the floodgates to open. But that development, plus the U.S. banks' simultaneous assault on the Japanese trust business, mean that Japan, too, is being forced to grapple with the Gordian knot of deregulation.

The picture is complicated, however, by the parallel debate over scrapping interest rate controls, a bridge that the U.S. has already crossed.

Although these countries' commercial traditions are highly diverse, the issues can be boiled down to:

- ● Should banks be allowed to enter any line of business they choose—or does their status as takers of other peoples' money make them special?
- ● If they are free to enter new fields, how should conflicts of interest be prevented and how can the risk of loss be contained?
- ● If they are not free to enter new fields, should banks be compensated for their obvious and growing handicaps vis-a-vis the investment community, which also takes in people's money but is less heavily regulated?
- ● To what extent do objections to deregulation stem from genuine concern about the safety of the banking system, or from special pleading?

The view that banks are special seems strongest in the U.S., particularly among regulators. Mr Gerald Corrigan, president of the Minneapolis Fed, argued the case last year, "because they offer current accounts, provide liquidity for other institutions and act as a transmission belt for monetary policy, we should not be indifferent to the scope of financial services offered by banking organisations," he said.

Relaxed view

Such views delight the anti-deregulation brigade and are another reason why change in the U.S. is likely to be slow.

The UK takes a more relaxed line. The Bank of England has been actively encouraging banks to form securities groups, though more to enable them to compete with well-capitalised U.S. and Japanese securities firms than out of well-formed convictions that that is where the banks' future lies.

Mr John Fforde, a former adviser to the Bank's Governor, has said bank securities operations might have to be insulated to protect the rest of the bank from loss, and perhaps banks entering the securities business should have stronger capital ratios to reflect the higher risks they face.

But, he said: "It would not be helpful for supervisory authorities to set regulatory requirements in advance, based on their preconceptions."

In the long run, the most significant point about deregulation in the UK may be that it should enable banks to keep pace with the rapidly changing face of finance. The tax and regulatory reform policies of the Tory Government, never the bankers' friend, have given an enormous boost to the capital markets and greatly enhanced the attractions of bond and equity finance.

This new bias against bank lending could be very damaging to the banks, were it not that they can follow the change by entering the securities business themselves.

In the U.S. this right is still denied to the banks, at least on their home turf, though with their customary ingenuity they have found ways of sticking several feet in the door.

When set against Barclays' ability to put together a £100m securities firm combining a leading stockbroker and jobber on the London Stock Exchange, with its own vast capital resources and 3,000 branches worldwide, being "special" in the U.S. sense seems to carry quite a high price.

Bitter battles obviously lie ahead, but it is hard to escape the conclusion that the banks will get what they want in the end. In many ways, the *fait* is already largely accompli: the capital markets groups of giants like Citicorp and Chase Manhattan already rank among the world's largest securities operations, though admittedly in bonds rather than equities.

In Japan, domestic restrictions have merely driven the banks abroad; and in the UK events have moved so fast that the new regulatory structure will have to be built round the new bank-securities groups rather than ahead of them.

While concerns about conflicts and risk are strong, the question is not whether they will stop the whole process in its tracks so much as how they can be accommodated.

Big potential to be tapped

Credit cards

MARGARET HUGHES

CREDIT CARD companies see Europe as the area of major potential, for much of it is still untapped.

Banks in both West Germany and the Netherlands, for instance, still resist anything but charge cards—the travel and entertainment cards issued by American Express, Diners' Club and Eurocard—or cheque guarantee cards such as Eurocheque.

Visa and MasterCard, the two competing international credit card companies, in association with their affiliates have achieved the greatest penetration within Europe in the UK. The market in France — now taking the lead with microchip or "smart card" development—is also growing fast but limited by the fact that credit card accounts have to be cleared within 30 days.

After the U.S. and Canada, the UK is now the third biggest credit card user with a market growing at the rate of 14 per cent a year. The growth potential in the U.S., where it all began, is now limited, particularly for bank cards.

Retail store groups in the U.S. now have about half of the market, with the remainder split more or less equally between the banks and the oil companies. Bank credit card usage peaked in 1979 and is not expected to reach those levels again.

There are estimated to be over 500m cards in use in the U.S., representing 80 per cent of the world total. Canada also has one of the highest proportions of card-owners and the greatest concentration of Visa cards anywhere in the world, so that the scope for growth there is similarly limited.

The amount of plastic money used in Britain has risen by over 50 per cent over the past five years, with some 22m cards now in circulation. But whereas nine in 10 adults in the U.S. hold credit cards, only one person in three in Britain is a cardholder and he or she usually only has one or two cards.

The card companies are therefore targeting a major promotional campaign at this market. Visa and Access have substantially increased their advertising budgets in the UK over the past 18 months or so and are estimated to be spending about £2.5m a year. So is American Express.

Barclaycard, affiliated to Visa, and Access (affiliated to Master Card) have about equal shares of the UK credit card market—42 and 43 per cent respectively. But much of Barclaycard's market is a captive one because the card, like Trustcard, also Visa-affiliated, is a dual-purpose device which can be used as both credit card and cheque guarantee card for Barclays Bank current account holders (or Trustee Savings Bank account holders in the case of Trustcard). Most of Barclaycard and Trustcard's natural market has thus been captured already, even though, in practice, not all use their dual-purpose cards as credit cards.

With Access—the facility launched jointly by National Westminster, Lloyds and Midland in response to the Barclaycard initiative, and since joined by Royal Bank of Scotland, Williams and Glyn's and Bank of Ireland—the market penetration of their collective account holders is only about 30 per cent.

There is thus far greater scope for recruitment, but it is a market which Barclaycard is also competing for. New competition is also expected from the building societies, while store cards are taking an increasing share of the retail market. It is likely to be stepped up now that chain stores like Marks and Spencer have decided to launch their own.

The longer-term potential for credit cards in the UK will be even greater as both the numbers still paid in cash and the proportion who are "unbanked" diminishes. It is significant that over the past six years, particularly since the launch of the Trustcard, there has been a rapid and marked increase in the number of cardholders among both clerical and blue-collar workers.

"Plastic money" accounted for over 250m transactions, with an estimated total value of almost £9bn, last year. Credit cards now represent 24 per cent of all credit transactions, although in a still cash-dominated society the cards account for only 4 per cent of payments. Cash still accounts for 48 per cent.

Bank-issued credit cards account for the bulk, with 15.6m in issue, followed by store cards, with around 4.7m, and then travel and entertainment (or charge) cards with over 1m. Cardholders are increasing at the rate of 14 per cent a year and actual usage by nearly 18 per cent.

The number of transactions involving the use of plastic money is rising at the rate of 20 per cent a year.

One of the ways in which credit card companies are attempting to increase their market is through new products. American Express set the ball rolling with its Gold Card, since followed by the other card companies with either Premium or "gold" cards.

Aimed at the estimated 1.2m top income people, those with more than £20,000 a year, these cards usually have no credit limit and provide additional benefits, especially on the travel and insurance side. But the most attractive feature, and the reason why they are issued by banks, is that they offer an automatic, unsecured overdraft at favourable interest rates.

The card companies are also establishing links with new outlets. Access had linked with BP, Visa with Amoco and Barclaycard with Texaco to capture the lucrative garage forecourt market. The motor trade attracts the highest value of credit card business, representing 25 per cent of the total.

In these pilot projects, credit-card-activated petrol pumps operate in much the same way as cash dispensers, with the cardholders getting fuel instead of cash.

To gain a further foothold in the motoring field Visa has also linked with the Automobile Association and the Bank of Scotland to offer AA members a credit card with extra benefits. The most important are free personal accident cover plus the fact that unlike other credit cards, the whole of the outstanding debt is automatically cleared if the cardholder dies.

A major development will be the use of credit and charge cards to obtain cash from cash dispensers. This is already possible on a domestic basis now. Credit cardholders with the appropriate magnetic striped card and PIN (personal identification number) can obtain cash from the bank ATMs (automated teller machines).

Since interest is charged immediately, however, and most cardholders have their own bank ATM cards, it has limited application.

Network

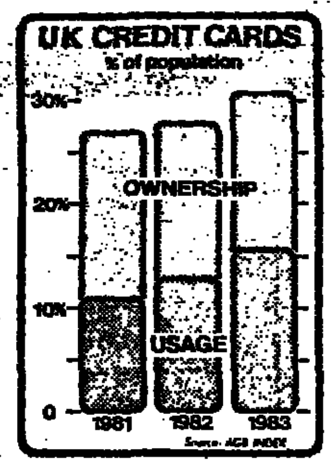
What both credit and debit card companies are now negotiating is an international network of reciprocal dispensing facilities which will enable the cardholder to draw cash when away from home.

With debit cards like American Express there would be a direct debit from the cardholder's bank account and with credit cards the cash advance would be charged to his card account.

Another major advance will involve direct debit at point of sale when or if the clearing banks go ahead with their plans for electronic funds-transfer at point of sale (EFTPOS). Consumer resistance to direct debit in credit-oriented societies such as the UK and U.S. has still to be overcome, while the problem of how the capital cost should be shared between retailers and banks has also to be resolved.

As an interim measure, largely to improve security, there has been the recent agreement by Access, American Express, Diners' Club and Visa to form On Line Card Services to introduce in the UK its Card Link system. This is a counter-top authorisation terminal linked over an automatically dialled telephone line to a central computer which holds a list of stolen cards.

Some 1,000 are already installed at retail outlets and though operating as authorisation terminals at present could be extended to include electronic funds transfer needed for direct debit. Visa has already developed its Electron card, which could be used for both EFTPOS and to draw cash from ATMs.



More ambitious still is the "cleva" card which carries a tiny microchip computer within the thickness of the plastic. Each card's chip memorises the credit limit issued to it initially by the bank. Once the customer makes a purchase the sale is debited and the balance adjusted accordingly in the card's memory. Developed in France, it is now being test-marketed there.

In Britain a battery-powered variation is being developed. Acting as a small personal computer, this could be used as a credit card and be capable of doing other things.

An additional advantage of the "cleva" card is that it would be able to carry additional details to identify the cardholder.

Fraud is a major problem for the card companies, involving losses of around $400m in the U.S. and some £80m in the UK. Though large, these numbers represent only a small percentage of turnover—between 0.25 per cent to 0.5 per cent. This means that fraud prevention has to be economically viable and should not exceed the actual losses.

Magnetic stripes with PINs are now being used on credit cards, while Access recently incorporated a white light hologram on its card. This is a three-dimensional image which can be seen in ordinary light and provides a visual guarantee that the card is genuine and, it is argued, too costly to forge.

Counterfeit cards are less of a problem in the UK than they are in the U.S., however. In the UK most fraud occurs when lost or stolen cards are used.

Other alternatives now being considered include the conversion of a signature into a digital code and the use of a lenticular lens to produce a photographed signature which can be read only by a similar lens.

As with all other methods their use will be determined by the delicate balance between improved security and economical costs.

Here and on the following page FT correspondents highlight six key areas of banking and finance

Quest for new sources of finance

TRADITIONAL METHODS of trade and export financing are becoming less and less attractive now that the industrialised countries are committed to stop subsidising them.

The higher premiums which export credit agencies are now forced to charge to offset their losses arising out of the world debt crisis is a further drawback. All this coincides with the lack (or shortage) of hard currency and poor credit ratings of importing countries which are suffering external debt problems.

Trade and export finance

MARGARET HUGHES

Banks and exporters are thus being forced to turn to alternative forms of financing—some of them old, some of them new. They include forfaiting, barter or counter trade, multicurrency financing and use of the domestic and Eurobond markets.

It is hoped that eventually borrowers will accept floating-rate finance instead of the fixed-rate long-term financing they have grown used to. More use is also being made of aid funds particularly in combination with export credits as "crédits mixtes" despite U.S. Government objections.

One method which has gained in popularity is forfaiting, the non-recourse discounting of trade bills or promissory notes guaranteed by the importer's bank in his own country. At the exporter's request a bank buys at a discount the debt which the exporter has arranged for his foreign customer once the deal has been concluded.

The bank concerned either holds on to them, assuming responsibility for collecting the payments when they fall due, or it sells them on to a secondary market provided by forfait specialists.

Forfaiting originated in Europe as a means of guaranteeing repayment of export deals with Comecon countries. But it is now being used more and more in the U.S. and other industrialised countries to the extent that it is now estimated to be a $10bn market. It is most appropriate for medium-term transactions of two to five years involving the shipment of manufactured goods.

It gives the importer access to credit which might not otherwise be available to him and gives the exporter a quicker return on his goods than conventional export credit agency-backed financing while freeing him from any further financial responsibility for the transaction. The exporter does not have to bother about collecting payments.

Its use may, however, be limited in those debt-burdened countries where domestic banks are either unable or unwilling to guarantee importer's trade bills. For these customers barter trade and counter purchasing and variations of them are increasingly important tools for financing exports—to the extent that some banks are becoming directly involved and setting up their own trading divisions.

This form of trade financing also owes its origins to trading with the Eastern Bloc countries, but is becoming an increasing factor in trade between developing and industrialised countries. GATT estimates that 8 per cent of international trade deals now involve some form of bartering although others put the figure as high as 40 per cent.

Liquidity problems associated with importing countries has also revived the use of confirmed irrevocable letters of credit (CILCs). Normally, exporters prefer not to demand them because of the implied mistrust of the customer but nowadays they are being forced into it as a means of both protecting themselves from possible Government intervention and avoiding the risk of haggling over delayed payments, etc.

Difficulties

Under a confirmed CILC there is the additional security that an "advising" bank (to the exporter) confirms that it will honour the drawings on the irrevocable credit.

But the present difficulties in export financing are not confined to trade with developing or debt-burdened countries. Exporters also face problems in the financing of their sales to the industrialised world.

Since the industrialised countries agreed to phase out the subsidy element in export credits they have often become more expensive than market rates, particularly when exports to the "relatively rich" and "intermediate" group countries are involved.

In an attempt to alleviate the problem, export credit agencies have developed a low interest rate currencies scheme (LIRCs) which allows government to support loans in those currencies where the market rates are below those of the Consensus for exports to relatively rich countries. But this scheme has so far proved to have little appeal.

Banks are therefore looking at alternative sources of fixed-rate finance and in particular the possibility of financing exports on a "pure cover" basis. Under this arrangement the export credit agency would still extend the guarantee but would not provide any interest rate make-up.

The interest rate would be a matter of negotiation between the banks and the borrower and be market-related. The obstacle that has still to be overcome is that of providing the long-term fixed-rate export credits that buyers require from funds which banks have to raise at both floating rates and on a short-term roll-over basis.

Banks have yet to come up with any alternatives which have been put into practice. One mechanism which seemed close to getting off the ground was the use of Eurobond or domestic bonds markets using "pure cover." In theory, issuing a bond backed by a government guarantee would provide the borrowers in the "relatively rich" category of countries with a cheaper source of funds.

There would also be a cost saving by eliminating the specific bank guarantee premium. But the insurance premium required for "pure cover" would still have to be paid, and now that these premiums have been increased it has offset the pricing advantage in the bond market that would be gained from a government guarantee.

Bankers have thus been forced back to the drawing board, but they are still hopeful that some variation on this scheme can be used to finance exports.

Good reasons to be cautious

CONTINUED FROM FRONT PAGE

have also been waging war against costs, paring staff, shutting down marginal operations, and trying to boost earnings from other businesses like foreign exchange and securities trading.

Ironically, Latin America also remains highly profitable because loans that are still performing carry generous spreads, and many banks have large local businesses there.

Citicorp, for example, reported net income of $282m on its $18,516m of Latin American assets last year, a bigger return than it received on its nearly double $30,461m assets in Europe, the Middle East and Africa. One reason is that a good part of these earnings was in Brazilian cruzeiros which, as a competitor points out, "are not quite the same thing as dollars."

Purged of some of their excesses, better capitalised and set in a more benign climate, the banks have reason now to be a bit more optimistic, though it would take only another point or two on the prime rate to start the whole structure quivering again. But already the post-crisis patterns are beginning to emerge.

Banks are turning with renewed interest to their home markets, seeking out quality borrowers and sources of stable long-term funds. Their more far-flung international escapades are over, at least for the time being. Another factor is deregulation, which is forcing banks both to protect their interests and prepare for new opportunities.

In nearly all the major financial markets change is afoot, which cannot be a coincidence even though it affects places as diverse as New York and Tokyo, London and Sydney. If there is a common theme, it is the wish to remove protective barriers that most countries found it necessary to construct at some stage in history to spare banks from excessive competition, by controlling interest rates, restricting entry to the market, or confining banks to the business of banking.

The moves, orchestrated mostly by governments with free market leanings, recognise that technology, the inflation-battered saver's desire for real returns, and the ability of other institutions like stockbrokers to mediate just as effectively as banks between those who have money and those who need it, have all raised enough questions about the traditional role of a bank if not already made it obsolete.

The reform movement seems to have split the banking community, however. There are those who welcome it as a chance to break out of the regulatory straitjacket and conquer new markets, even if it means that in return they have to pay their depositors high rates of interest, raise more capital to shield themselves against greater risk, and admit newcomers into their own markets.

Others hold to the view that banks are "a special case" and should be a protected species.

The way the wind is blowing, the reformists seem to be in the ascendant ,though only the UK, among the major banking markets, has experienced epoch-making changes that could lead to the merging of the securities and banking industries, as in the "universal banking" countries like West Germany or the Netherlnads.

Whether these changes will necessarily make banks more profiatble or better-equipped to prosper in the brave new financial world of the late 20th century is another matter. There is an assumption that they will. But as successive banking crises have shown — including the LDCs—there are good reasons to be cautious when banks try something new.

Sector receives fresh lease of life

CORRESPONDENT BANKING—the banks' own banking system—has long been the old maid of international banking. But over the past two years or so it has taken on a new lease of life as banks rediscover the attractions of their correspondent banking relations—forced as they are to look elsewhere for profits now that credit margins have been pared and lending opportunities are fewer.

Correspondent banking

MARGARET HUGHES

Correspondent banking, hitherto a fraternal, loosely-managed business traditionally based on personal contacts, is now being regarded as a highly competitive, aggressively-managed area of banking.

Banks now see it as a separate profit centre and are setting up special divisions under senior management to handle their relations with other banks. Career correspondent bankers are being trained for this particular job. Even financial journals are hiring people to write specifically about correspondent banking.

Hitherto, reciprocity was the name of the game. Respondent banks were content to leave their free or compensating balances with their correspondent bank. These balances more than met the cost of the services which they required from their correspondent banks, which in turn had access to low-cost funds on which they earned interest.

Then came the era of high interest rates, which initially turned correspondent banking into a highly profitable business because of the high returns the participative banks were able to earn on those free balances. Newcomers were also attracted into the business.

Impact

But it wasn't long before the respondent banks began to look hard at the large holdings of non-earning balances they had with their correspondent banks. The technological revolution accelerated the process, making it easier for banks to monitor and manage their funds, including their compensating balances.

As a result there is much greater evaluation of interbank relationships, with respondent banks requiring a broader and more efficient service from their correspondent banks. They, in turn, are having to evaluate the costs of providing these services and moving more and more to explicit pricing for each service.

The impetus for improved efficiency nas also come from outside the banking industry—from the corporate customers whose needs are, after all, the *raison d'ětre* of correspondent banking. This aspect of banking has developed from the expansion of world trade, with most of the services which the banks provide each other ultimately meeting the needs of customers involved in trading with or investing in countries other than their own.

U.S. banks, in particular, have seen a sharp reduction in their free balances, which have been cut back by over two-thirds to less than $5bn over the past four years. This trend is also being felt in Europe with more services being charged on a fee or commission basis, but to a lesser degree.

Compensating balances still remain the main mechanism of payment for correspondent banking services in Europe. But these services are being more explicitly costed and priced as banks place more emphasis on making each service profitable in its own right irrespective of how it is paid for.

Correspondent bankers are also realising the advantages of payment by fees or commissions, which are both quicker and more stable than free balances. There is also greater awareness that charges should be oriented towards markets and customers rather than product-related, given that the needs of markets and customers vary widely.

New technology has enabled corporate treasurers to become more fully informed. They are now conversant with a much wider range of financial techniques, such as hedging, swaps, options and financial futures. This, combined with the treasury and cash management services which they can obtain from their banks, enables them to manage their funds better.

As a result, companies are now demanding a much wider and more complex range of services from their banks. This in turn is reflected in the services provided within correspondent banking.

In meeting these needs technology has become as crucial to correspondent banking as it is to the corporate treasurer. As the division heads of one of the leading players in the field puts it: "Correspondent banking is now a system-dominated game."

Ironically, it is those very systems that have lost the correspondent banks their lucrative free balances and forced them to re-evaluate their services as well as their costing and pricing.

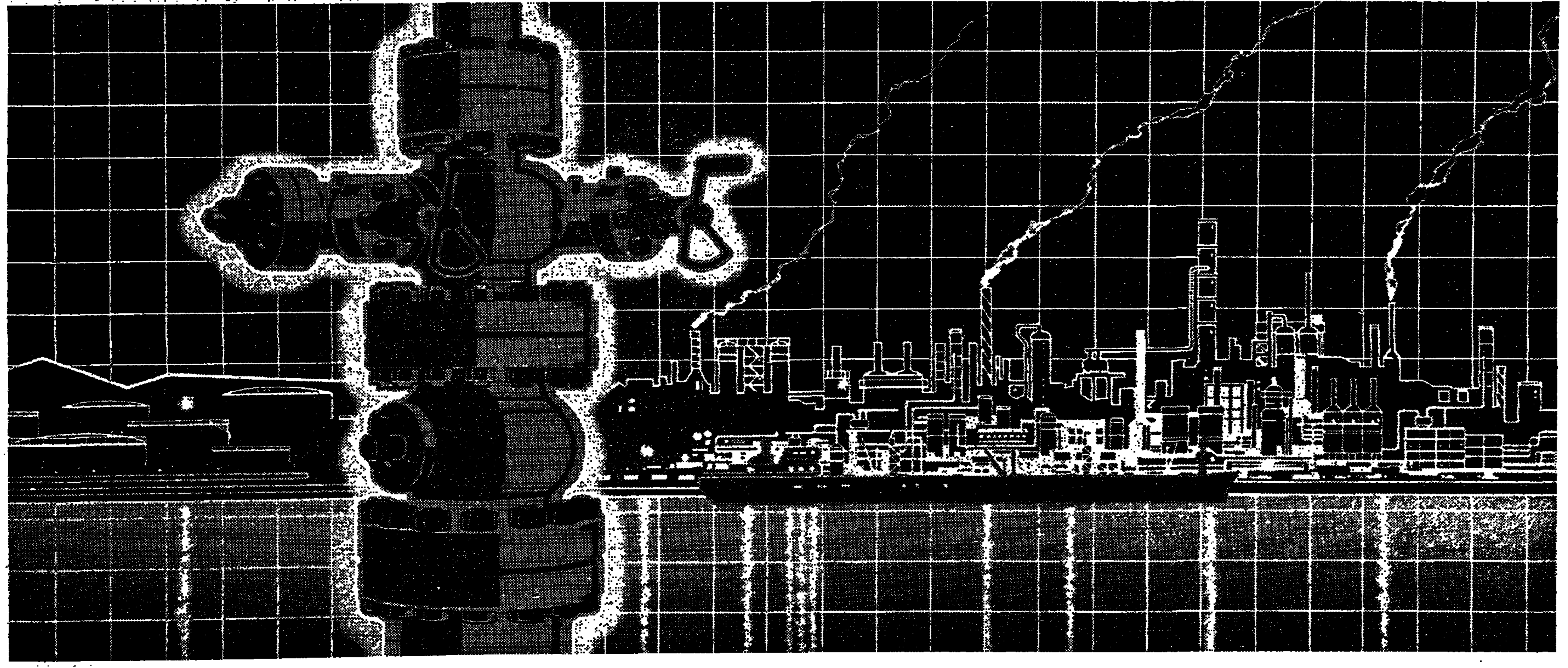
Services

Given the broad range of services now required within correspondent banking, not all banks will be able or even want to provide them. Fewer still will be prepared to invest in the new technology now needed to provide these services. It is significant that Midland Bank, very much the bankers' bank in London, has been in the forefront of technological advance on the funds transfer side.

Midland was the first of the UK clearers to introduce an automated funds transfer system providing corporate treasurers with a direct link through their own computer terminals to Midland's own automated payments system, itself linked to international wire transfer systems such as SWIFT.

Midland Bank also accounts for 33 per cent of the volume and 35 per cent by value of the transactions now handled by CHAPS, the UK clearing house automated payments system. Midland expects CHAPS to have a "very significant" role in correspondent banking too.

Once it becomes the main UK clearing system, probably in about a year's time, all sterling transactions, whether domestic or international in origin, will be settled through CHAPS. It will then be a key link in correspondent banking.



Living by their wits without privileges

TRADITIONALLY they sat in quiet, dignified, panelled rooms talking with authority to leaders of industry and commerce and relying on their contacts, experience and ingenuity to fix a deal here and dream up a clever scheme there.

Today, more and more, they are forced to earn a living on a crowded trading floor, amid the shouts and the shirtsleeves, relying on their sensitivity to market trends to make a dealing turn or to syndicate a loan. It is not so comfortable but if done properly it can be a lot more profitable.

Merchant banks

BARRY RILEY

In New York they are called investment bankers, their role rigidly separated from true banking for the past 50 years by the Glass-Steagall Act. London's equivalent merchant bankers have been less hampered by regulation; but commercial logic has also dictated that they should progressively move out of the pure lending business, where they are rarely competitive nowadays with the big commercial banks.

With the promised opening up of the London Stock Exchange to outsiders — already merchant banks like Warburg, Morgan Grenfell and Samuel Montagu have bought minority stakes in London broking or jobbing firms — the London merchant banks are clearly moving in the same general direction as the New York investment banks.

No two are precisely alike in emphasis. But they concentrate on those areas of the financial markets where individual skills are of paramount importance. The securities and money markets, precious metals, corporate finance advice and investment management are the type of areas where they are most at home.

Influence

Merchant banks do not, however, have any precisely defined zones of influence. Such tangible privileges as they once had in London — such as specially favourable discount rates at the Bank of England — have been whittled away. They have to live by their wits; and they are under constant attack from several directions.

For instance, U.S. securities houses — the best example being Merrill Lynch — have turned themselves into broad financial conglomerates, combining specialist skills with the kind of massive distribution capability which the investment banks have never enjoyed.

More commonly the threat comes from the big commercial banks, which are reluctant to be shut out of some of the most profitable areas of activity. In the UK, Barclays is buying a major stake in the future of the stock market through the dual purchase of Wedd Durlacher and De Zoete and Bevan, adding to an already existing merchant banking subsidiary, while New York-based Citicorp is becoming a major player on the world's capital markets.

Nearly all the merchant banks on both sides of the Atlantic are in the throes of a strategic rethink. In a narrow sense this is due to deregulation in various forms, but technological change probably presents a more fundamental challenge.

Telecommunications have become much more efficient and vastly cheaper in the past two decades. Telephone markets have sprung up in securities, foreign exchange and liquidity, largely superseding trading floors except in specialised futures markets. This process has rendered many traditional institutional demarcation lines obsolete.

National frontiers, too, are frequently leapfrogged. The Eurobond market, though largely located in London, is entirely international, and some of the big U.S. investment banks are now shuffling bond inventories around the world through successive time zones centred on Tokyo, London and New York. The same pattern is beginning in equities.

The securities markets are increasingly becoming the core business of the investment and merchant banks. Once these banks were dominated by the big individual deal-makers, shadowy but powerful individuals who obtained much of their business through long-standing relationships — by knowing the right people, even sitting on clients' boards.

But the amazing rise to prominence of Salomon Brothers, from modest origins as a bond trading house, has typified the change in the business environment. Salomon has successfully attacked the corporate finance business from the market trading end, where it has great expertise in packaging and pricing new issues, rather than through the traditional old boy network.

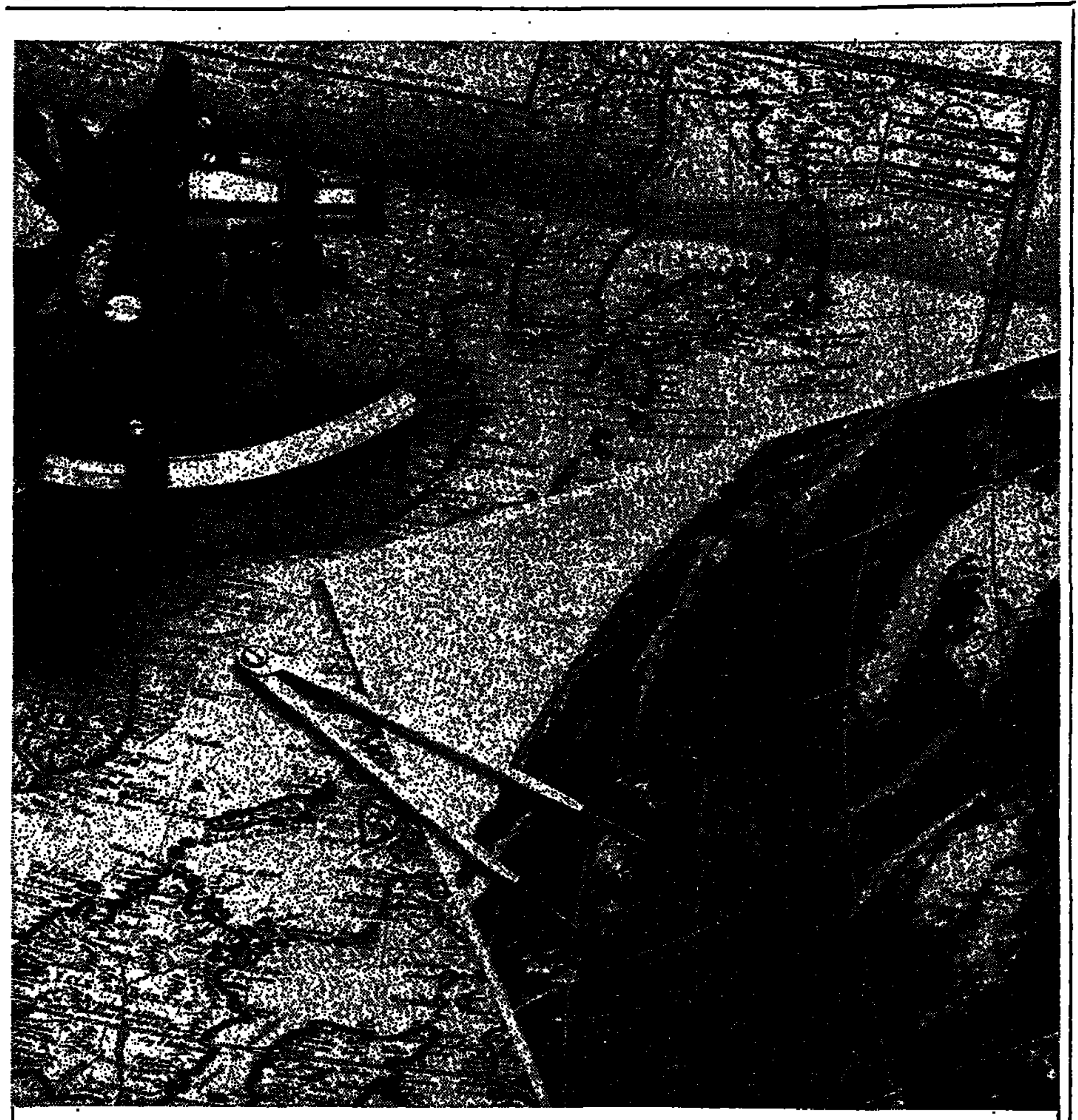
Other New York houses have also been building up their trading operations, though the stresses can be acute — as at Lehman Brothers, where tension between the traders and the traditional corporate finance men led to a boardroom struggle and the sale of the firm earlier this year to the American Express group.

Merger

The absorption of Lehman into a larger group, following the earlier merger of the partnership of Salomon into the listed company Phibro-Salomon, emphasises the need for new capital which follows from the development of the role of investment and merchant banks into securities market-making on a major scale.

The number of remaining partnerships on Wall Street is dwindling, and although many London merchant banks are public companies their shares are often tightly held and the requirement for large lumps of new capital will call for painful decisions.

One route is through takeover by larger organisations, with an obvious threat to the sovereignty of management. The other is to stay independent but accept a much more limited and specialist role. Many banks on both sides of the Atlantic are now agonising over which road to travel.



UK clearers lick their wounds

Leasing

DAVID LASCELLES

FEW ASPECTS of a bank's business are as vulnerable to the vagaries of government as leasing, because of the key role played by tax levels. But there is no doubt that the UK Government's recent decision to phase out capital allowances was a bombshell which has had repercussions well beyond Britain.

Not only has it landed UK banks (including numerous UK subsidiaries of foreign banks) with as much as £1.6bn in extra tax payments over the next few years. It has also cost the two largest British banks, Barclays and National Westminster, their prized triple A rating on the U.S. credit markets because of the severe impact it will have on their balance sheets and capital ratios.

Simply put, what the Chancellor of the Exchequer did in his March Budget was to eliminate, over two years, the set-up that had permitted banks to use capital allowances obtained from their leasing business to defer, *ad infinitum*, substantial tax liabilities.

It would not have been so bad if the banks had made a full provision for these liabilities—if only for the sake of prudence. But they never expected to pay it, so they set aside only the minimum that accounting conventions demanded: 25 per cent. Now, they have to find the remaining 75 per cent.

This problem would not have occurred in the U.S., where banks have to make full provision for deferred tax.

Sir Donald Barron, chairman of Midland Bank, complained that UK banks "have a particular reason to feel aggrieved. They were subject to a special tax in 1981 because it was alleged—wrongly as the independent report of the Institute of Fiscal Studies made clear—that they had a beneficial tax and profit position."

The banks always claimed that they passed on to their leasing cutomers some 80 per cent of the tax benefits.

If the Chancellor's move looked harsh, it fitted into a broader context of tax reform. For years, UK banks have been accused of paying too little tax, but the arguments in favour of keeping capital allowances were strong: they stimulated capital investment.

The Thatcher government takes a different view. It wants to reduce the appeal of capital over labour to raise employment, and replace special tax breaks with a general reduction in corporation tax from 52 per cent to 35 per cent.

Removing the leasing advantage also advances another cause: the equalisation of tax treatment between banks and building societies, which is one of the present government's aims.

The only consolation for the banks is the reduction in corporation tax. At least the deferred portion will be taxed at a lower rate, so the damage will be slightly less than it might be. Even so, the Big Four clearers will have to find at least £1.5bn, and possibly quite a lot more. This is equivalent to their total pre-tax earnings in 1983.

Banks had the choice of "taking it on the chin" by making a huge once-for-all transfer on their balance sheets from reserves into the provision for deferred taxation, or taking a bit out of profits every year for the next 10 years or so. After some wrangling, and prodded by the Bank of England to take a common line, they agreed on the once-for-all transfer even though this will strain capital ratios.

The stock market was terrified that it would mean a string of rights issues, and bank stocks plummeted. But the Bank of England has promised to be understanding and that danger seems to be passing. The banks have all reassured their shareholders that their balance sheets can take the strain.

The exact amounts the banks will have to pay depends on how much new leasing business they can put together between now and April 1986, when the allowances disappear. Not surprisingly, there has been a scramble for deals since the Budget, and leasing rates have been pared to the bone. After that, the prospects are heavily shrouded in uncertainty.

Some observers have predicted the slow death of the UK leasing industry, particularly for small ticket items, because of the improving health of UK companies and the growing availability of other forms of finance.

But the leasing industry itself, of which the banks account for three-quarters, is putting on a brave face, claiming that there are reasons other than tax why companies lease rather than buy equipment, and these will survive.

The Equipment Leasing Association said: "Leasing flourishes in other countries without a generous system of accelerated depreciation."

Even so, the changes will have a major effect on the post-tax profitability of the UK banking industry at a time when deregulation of Britain's financial markets will be putting new pressures on them. Non-bank leasing companies also feel they have been hit by a measure that was primarily designed to make banks pay more tax, so they feel bitter.

Coincidentally, the Irish Government proposed a similar change this year, but it has agreed to a compromise that will restrict the benefits of capital allowances to leasing income so that banks cannot use it to shelter revenues from other parts of their business.

Profitability a more critical factor

Consortium banking

DAVID LASCELLES

IT IS a source of endless frustration to consortium bankers that people think they work in a declining industry.

Every time a consortium bank disappears, usually through a buy-out by one shareholder, there are rumours of more impending demises and not without reason. Between 1979 and 1981 the number of consortium banks in London—where the bulk are based—fell by a fifth, from 29 to 23.

Some banks which fit the description of a consortium—a joint venture belonging to a group of bank shareholders — prefer not to call themselves one at all to avoid the association. It is not a particularly healthy state of affairs.

But even the disparagers of consortium banking have had to admit that the business has not withered away as many of them predicted. In the past few years the number of demises has levelled off, and new consortium banks do still occasionally get formed. According to Bank of England statistics, the number in London has steadied at around 23.

But the character of the industry has changed as well-established member banks come to view their consortia more as an investment than a means to enter a market or create a product they could never handle on their own. The profitability of consortium banking has therefore become more critical. Many have also adapted to radical changes in their markets, usually a sign that they have a life of their own.

The changes in consortium bank ownership in the past few years, argues Gerard Legrain, chief executive of Intermex and previous chairman of the Association of Consortium Banks, reflect as much as anything the evolving strategies of Scandinavian banks rather than the demise of the concept.

These banks were active consortia-founders a decade ago, precisely because they were too small to do much internationally by themselves. But many have now reached the size when they can go it alone.

The major development in the past 12 months was the buy-out by Den Norske Creditbank, Norway's largest bank, of Nordic Bank, amid reports of management rifts. The other shareholders, Svenska Handelsbanken, Kansallis Osake Pankki of Finland, and Copenhagen Handelsbanken, have since set up on their own in London.

Mr Jaakko Lassila, chief general manager of Kansallis, which is about to open its London branch, said: "We felt the time had come to go on our own. It was an amicable parting." However, as he points out, the group is sticking together to tackle the U.S. market where none have enough locally-based business to go it alone.

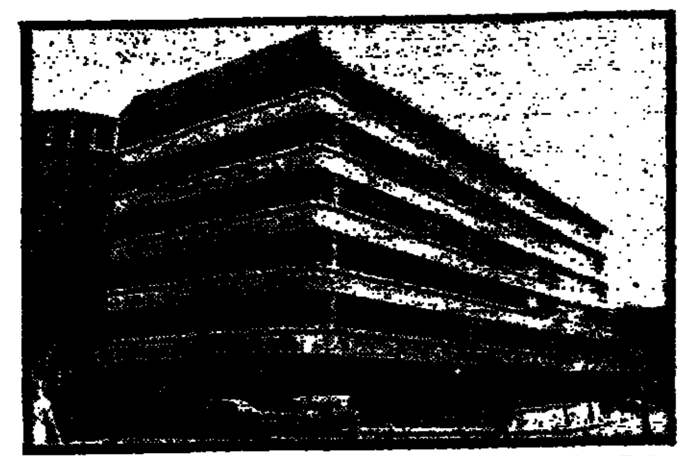
Last week the London Interstate Bank was bought out by its Danish shareholder, Sparekassen SDS.

Scandinavian Bank, one of the largest consortium banks with assets of £2.5bn, has also lost its two Danish shareholders, Den Danske Bank and Den Danske Provinsbank. But membership seems to have stabilised there. Union Bank of Finland, an apparent candidate for departure since it is also about to open a London branch, will stay in, according to Mr Bo Herald, vice-president international.

Mr Garrett Bouton, the chief executive of Scandinavian Bank and new chairman of the association, claims that as the 15th largest bank in the UK, it has by far the largest Scandinavian presence in London, a fact which members can impress on their clients.

Making up for the reduction in numbers, though, there have been new entrants. The central savings banks of Sweden and Finland, Swedbank and Skopbank, recently set up Fenno-Scandia, while a group of Italian banks has just launched ITAB. There are also reports of a possible Jordanian bank.

These ventures suggest that consortia as a way into international banking still have some appeal, even at a time when the market is not exactly free of risk.



Roger Taylor

The Copenhagen Handelsbank's headquarters in London.

In fact 1983 was a tough year for consortium banking, which has always prided itself on being rather profitable. Scandinavian Bank, faced with large loan difficulties in Switzerland, had to make heavy provisions which cut profits from £13.2m in 1982 to £10.2m last year.

Libra Bank, which belongs to the breed of consortium banks owned by major international banks and has consistently been one of the most profitable, saw earnings fall from £38.3m to £31.1m in the same period because of large Latin American loan provisions. The bank is also highly conservative.

Although profit falls were far from universal, 1983 results reflected the fact that consortium banks are chiefly in the international loan business, often with heavy concentrations in regions they were specifically set up to service. Arlabank, the Arab-Latin American venture, for example, has two-thirds of its loan portfolio in Latin America and not surprisingly suffered because of it.

Others, like the London- and Brussels-based EBC group, managed to keep profits rising but saw their balance sheets shrink as they cut back their loan commitments.

Like many consortium banks, Arlabank had to draw on a large credit line established by its owners because of feared funding difficulties. In fact, such lines have become almost commonplace in the past few years, partly as a result of pressure from bank supervisors keen that parental responsibility for consortium banks be clearly established.

Several London-based consortia have also been—or will be—hit by the Thatcher Government's decision to phase out capital allowances. This will force them to pay taxes on their leasing business which they expected to defer.

Mr Adbel Latif Benani, general manager of UBAF, the Paris-based Arab consortium, recently summed up the dilemma facing banks like his: they operate only as wholesale banks "and therefore lack a deposit base and a domestic market. Their dependence on the money markets can make them vulnerable during periods of liquidity squeeze and could also restrict their growth, especially since their ability to increase their capital in a permanent way is rather limited."

The answer, said Mr Benani, was for consortia to carve out niches for themselves but to do it in a coordinated way so that they do not duplicate each others' efforts.

Banks take greater share of risks

Project finance

MARGARET HUGHES

GIVEN the continuing problems associated with the debt crisis, international banks have become more cautious in their lending. They are steering clear of sovereign risk loans and opting instead for project-related financing. But, ironically, the dearth of viable projects is forcing banks to take on a greater share of project risks.

Earlier this year National Westminster Bank and Bankers Trust put together a $400m financial package for the development of Sun Oil's Balmoral oil field in the North Sea. NatWest is in the process of co-ordinating another £225m ($304m) syndicated loan to finance the development of Total Oil Marine's Alwyn North field.

These are just the latest examples of project financing in the form of limited recourse financing now being undertaken in the North Sea. It is estimated that project financing, as opposed to corporate balance sheet fund raising, accounts for about a quarter of Britain's North Sea capital spending requirements, currently running at well over £3bn.

With limited recourse financing the main security for the loan is the future cash flow of the project rather than the borrower's ability to repay off his own balance sheet. With pure project financing or pure recourse financing, the lending is entirely secured against the revenue generated by the project concerned.

But such financing, where there is no underlying guarantee from either the project operator, sponsor or local government, is rare. More usual is limited recourse financing with the banks taking on the responsibility for identifying and evaluating, as well as shouldering some of the risks.

On the whole, banks still tend to want recourse to the borrower during the early stages of the project to ensure that construction is completed, cost over-runs are met and production gets under way at least to an initial pre-set target.

Increasingly, however, banks now consider the production and marketing stages to be bankable risks. Even so, they require evidence of long-term sales contracts for the project output at market-related prices, but will take responsibility for evaluating those risks themselves.

Rewards

Higher risks should mean higher potential rewards. But as more and more banks compete for the few projects around the rewards are getting smaller as margins are pared in the bid to win business. The margin on the Sun Oil loan was only ¾ of a percentage point above Eurodollar rates, rising to 1.25 per cent, once the field reaches full earnings potential. Yet it is a marginal oil field.

Project financing evolved in the U.S. for the financing of energy and energy-related projects and has tended to be dominated by the U.S. banks. But it is now being adopted elsewhere, particularly for North Sea oil projects and mineral resource development in Australia.

Gradually, other banks are coming into the field—in the UK, Europe, Australia and Canada—thus heightening the competition for project financing deals.

The risk burden which the banks are taking on in limited recourse financing is considerable. A fall in market prices, as witnessed in the oil industry, can soon endanger a project's ability to generate sufficient revenue to service the loan.

As well as taking on more risks, banks are also having to be more innovative in the project financing. This is largely due to the erosion of subsidised export credits, which have traditionally covered some 85 per cent of the foreign currency element of project financing.

Banks are making greater use of bilateral and multilateral aid in putting together their financial packages. One development which, it is hoped, will improve the security of project finance in the developing world is the World Bank's new co-financing formula.

Although it falls short of the cross default clause which the banks had been lobbying for, the new scheme, introduced just over a year ago, has been used for the financing of four projects to date, two of them in Hungary.

The new formula will also be used in the first-ever co-financing operation for a country whose debt is being rescheduled. This is the $60m equivalent loan guarantee facility which Lloyds Bank is arranging for Companhia Vale do Rio Doce, a leading Brazilian mining company, for the further development of its Carajas iron ore project. The World Bank participation will be $7.7m.

To encourage commercial banks to continue lending to developing countries, the World Bank now participates directly in the commercial financing of a project in addition to putting up its own separate loan.

Previously the commercial and World Bank loan were undertaken in parallel. This earlier system, introduced in the mid-1970s, had only limited success with co-financing accounting, at most for 2 per cent of commercial bank lending to developing countries while only some 12 per cent of World Bank projects had any private sector co-financing.

With the World Bank participating directly in the syndicated bank credit the aim is to provide greater security to the banks on the supposition that borrowers would be unwilling to default on such a loan for fear of endangering their access to other forms of World Bank financing.

The World Bank also hopes that commercial banks will put co-financed loans into a special category when setting their country lending limits, the overall aim being to ensure that developing countries have access to capital markets for the financing of their projects.

Cumbersome

The new scheme is also designed to make loan repayment terms more realistic by extending the maturities beyond those normally available in commercial bank lending. The World Bank also hopes that it will ultimately help borrowers to get finer margins, although the banks have so far not agreed.

Indeed, some banks contend that, far from being cheaper, the syndicated loans involving direct World Bank participation will be more costly, both in terms of time and margins, because the loan documentation follows World Bank rather than commercial bank procedure—making it both slow and cumbersome.

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Quality and soundness are increasingly sought after in offshore centres, as FT correspondents report here

Singapore as 'Zürich of Asia'

OF ALL the Far East's putative offshore banking centres, Singapore and Hong Kong still stand head and shoulders above their neighbours in importance and are easily maintaining their world rankings in terms of assets.

Singapore—widely dubbed the Zürich of Asia—is now reckoned to be the world's largest offshore banking centre, after the Bahamas.

The Far East

CHRIS SHERWELL

in Singapore

This is a reflection of the island state's geographical location, which allows it to exploit its time zone advantages, and the strenuous efforts of the Singapore Government to provide the sort of well-ordered environment which nourishes the modern "financial supermarket."

At the end of 1983, total assets and liabilities of the Asian dollar market — the regional equivalent of the Eurodollar market which is centred on Singapore — stood at almost US$112bn. This compares with a figure of $137bn for the Bahamas and $54bn for Hong Kong, which is on a par with Bahrain.

London, not technically an "offshore" centre, has assets of some US$630bn.

Expansion of the Asian dollar market in recent months has been irregular and slower than in the past because the international debt crisis has reduced lending opportunities and made bankers more cautious. But it has been faster than in Europe, not least because of the better economic performance of many Asia-Pacific countries.

Thus, assets growth in 1983 of 7.7 per cent was well down on 1982's 20.4 per cent and the 57.6 per cent rise shown in 1981.

Statistical breakdowns show that around 65 per cent of total assets are interbank loans, two thirds of them made outside Singapore. Some 36 per cent of assets are of 30 days' maturity or less.

Singapore therefore retains its standing as a funding centre for the region, a safe home for surplus funds and short-term deposits.

Hong Kong, for its part, remains the region's premier banking and financial centre, surpassed in importance only by Tokyo, and is the undisputed South East Asian leader in terms of loan syndication and funds management.

Singapore has in the past year continued its efforts to chip away at this position. Tax incentives for loan syndication and fund management have been welcomed as a step in the right direction, but the practical results have been slow in coming.

Partly, this is because the loan syndication business itself has been slow, but to some Singapore's tight regulations are also irksome. Equally, the incentive for fund management deliberately exclude investment in Singaporean or Malaysian stocks—a disadvantage which underlines how the island state refuses to expose the Singapore dollar to unnecessary pressures through the volatile local stock markets.

Even footing

With the two countries now on a more even footing, institutions will probably choose where to do offshore business on the basis of factors such as convenience and personalities as much as the differing regulatory climates. But the truth also is that the two centres remain complementary as well as competitive—and popular belief is that uncertainties in Hong Kong relating to Britain's handover negotiations with China will not necessarily rebound to Singapore's disadvantage.

None of this means that there have ben no shocks for international bankers in the region.

The Philippines' $25bn debt crisis, precipitated by the capital outflow which followed opposition leader Benigno Aquino's assassination last August, was one.

Citibank's decision to freeze foreign currency deposits in its Manila branch was another. The implications of both are still unfolding.

Less seriously, but importantly, Indonesia, Malaysia, Thailand and South Korea have all been the object of careful attention by their own governments and by bankers to assess their respective debt positions and credit worthiness.

Each country has taken action to stay on the side of caution, and all have successfully come to the markets this year as a result, thereby adding to the confidence generally felt about the region compared to either Latin America or Africa.

Meanwhile, Singapore and Hong Kong are close to setting up their own financial futures exchanges to add to their international standing, while Malaysia is already operating its own commodities futures exchange. The Singapore International Monetary Exchange (Simex) is expected to be operational by July, once its unique "mutual offset" link with Chicago is approved.

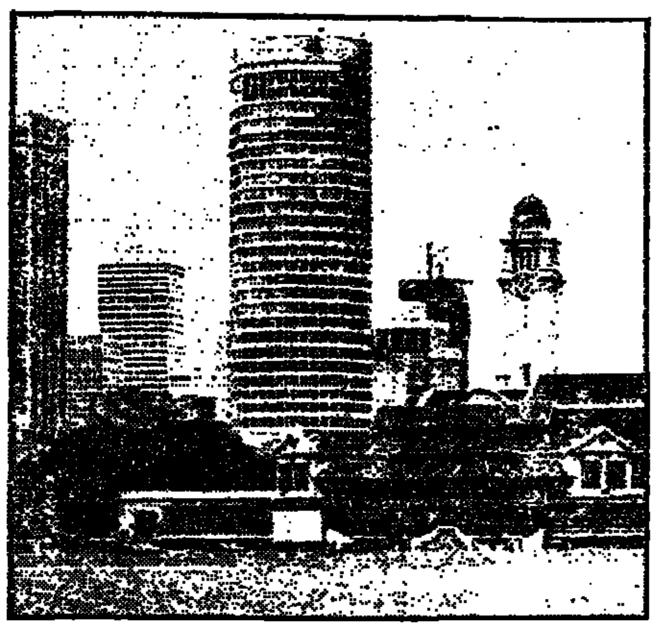
Hong Kong's exchange aims to embrace the contracts on its existing commodity futures exchange and a new stock index futures contract based on the local Hang Seng index.

Malaysia's commodities exchange is under a cloud because of the controversy that led to the recent temporary suspension of palm oil trading, but hopes to add a tin contract to the palm oil and rubber contracts already in existence.

To be factored into these Asian offshore developments is the role of Japan. Japanese banks have been slow to expand in the region compared with their U.S. or European counterparts, although their participation in issuing certificates of deposit or in the floating rate note market has been aggressive. The more important question concerns deregulation of Japan's own financial services industry and its domestic financial markets.

Here it is clear that Japan's capital markets are becoming more accessible to outsiders. Banks are to be allowed to raise more money in Tokyo through sales of certificates of deposit, and there will be easier access to the Samurai bond market.

This recognition of the need for change could have significant implications for other offshore centres in the Far East, and developments are being watched closely.



Financial district, Singapore

Generous policy on bad debts

LUXEMBOURG'S 114 banks continued to enjoy a quiet boom in profits last year. According to provisional estimates from the Grand Duchy's Monetary Institute, operating profits of the banking sector rose by about 15 per cent in 1983.

This followed a year of very sharp increase. In 1982, profits leapt from LuxFr 36bn to LuxFr 57bn as banks began to enjoy higher interest margins, as well as a rapidly increasing rate of return on fixed rate lending as interest rates generally fell.

Luxembourg

PETER MONTAGNON

Last year's rather slower growth reflected the absence of these basic factors but it still left profits at another record.

The surprising thing is that this has happened at a time when banking business measured in terms of total assets has stagnated.

Total assets in the banking system rose by 10.1 per cent to LuxFrs 6,592bn last year but almost all the increase reflects the depreciation of the Luxembourg currency against a soaring dollar. Measured in dollar terms the increase in banking business was very small indeed.

How have banks managed to boost their profits without taking on large amounts of new business?

One answer lies in Luxembourg's exceptionally generous policy towards provisions for bad and doubtful debts. Many banks find that they can apply their entire operating earnings to such provisions.

At one and the same time, this reduces their immediate tax burden and provides the banks with cost-free funds to finance their loan portfolio. It means a profits bonanza so long as the provisions do not have to be unwound.

Luxembourg's authorities consider that such an approach is perfectly reasonable. Officials argue that a provision will either have been necessary to cover a debt that actually turns out sour—in which case making the provision in the first place was perfectly sound banking practice. Or the debt will be repaid. In that case, the provision must be unwound and tax paid on the earnings from which it was made. That way, the tax authorities are still guaranteed their slice of the cake in the end.

But the diversion of profits to provisions has now become such a widespread practice in Luxembourg that many banks are now clearly over-cushioned against bad and doubtful debts.

In other words, some of the large profits now being made but not declared by banks in the Grand Duchy could easily be eaten up in future years by deferred taxation.

It is because of this that banks are far from inclined to sit on their laurels, and are still casting around carefully for ways of securing their long-term business future.

This is where the stagnation of overall business volume emerges as a rather worrying point. Figures for the first few months of this year have not been published but unofficial estimates suggest that there has been little further growth in total balance sheet footings.

The figures seem to confirm the widely held view in Luxembourg that as a centre it has reached more or less its maximum capacity as a wholesale banking and money market centre.

Premier centre

Luxembourg started out as an offshore banking centre for German banks, which still make up the largest single national contingent of banks with about 30 institutions represented.

It is also the premier centre for Euro-Deutschmark business with over 40 per cent of lending denominated in German currency. From that it has developed as an international banking centre whose main purpose has been the financing of European corporations.

Luxembourg banks have never been deeply involved in sovereign lending to developing countries. Lending to Latin America accounted for just under 10 per cent of their total assets at the end of last year.

Now, however, banks in Luxembourg are coming under increasing pressure to develop retail banking services, particularly for wealthy private clients.

The authorities have done much to accommodate this trend. Gold trading in Luxembourg is free of value added tax; bank secrecy rules have been tightened; holding company law has been changed to allow the foramtion of investment funds; and Luxembourg has also altered its law to allow banks to carry fiduciary deposits from large customers on an off-balance-sheet basis.

Few bankers actually expect that investment banking will ever outweigh wholesale banking in terms of business volume and profits, but in a modest way Luxembourg is now firmly set on the path of becoming a mini-Switzerland with the provision of services such as portfolio management.

Every step in this direction is a positive one for Luxembourg itself. It ties the banks and their customers to the place and Luxembourg with its ailing steel industry has grown to depend on the banks. They provide 15 per cent of its total tax revenue and employ 5 per cent of its workforce.

Jersey thrives on foreign currency

IN A turbulent business where reputations are hard-earned and easily lost, the Channel Islands' decade-old effort to establish themselves as major offshore banking centres seems to be paying off.

The deposits and profits of banks able to set up shop there—especially in Jersey which keeps the tightest clamp on immagration—are boominga nd the tiny local economies are benefiting handsomely from employment and tax revenues.

Last year deposits in Jersey—where the bulk of the business lies—rose 27 per cent to £17.5bn (they were barely £11bn wto years ago). Virtually all this growth is due to foreign currency business, an indication of its mounting internatonal stature.

Guernsey, which came into the offshire finance business a little later, has deposits about a quarter of this size.

Jersey's 46 banks—which include most of the big names from Europe and the U.S. plus a smattering from the Far East—made profits totalling £56m, up from £48m in 1982 and £38m the year before that.

Guernsey bank profits are about half as big. For both islands, finance now vies with tourism as the major economic activity. Jersey has also made it clear that bank profits tax, which accounts for nearly a fifth of total tax revenues, will be one of the major sources of revenue growth in the next few years, underlining its dependence on offshore banking.

None of these figures, incidentally, include the local branch operations of the big UK clearing banks, which are substantial in themselves.

Channel Islands

DAVID LASCELLES

In one sense, the Channel Islands have benefitted from the misfortunes of others: political uncertainty in Hong Kong, scandals in the Isle of Man, the flaky reputations of some of the more exotic offshore banking centres—all have driven money into safer havens. Their proximity to Europe's financial capitals has also helped even though the real decision-makers in offshore banking centres seldom actually work there.

But the islands have added an appeal of their own: political stability, low taxation, being choosy about who they allow in. Only banks of international standing are considered; those offering new types of services or broadening the geographical representation are specially favoured. Jersey would like, for instance, to have more applicants from the Pacific Rim and the Middle East.

The islands have also made a big effort to clarify and update commercial law covering matters like securities, investment and trust business, much of which was blurred together with UK law.

Though the islands regulate their own banking industry, they draw heavily on the Bank of England, and belong to the grouping of offshore bank supervisors created by the Basle Committee which is trying to plug gaps in international bank supervision.

Apart from taking in deposits, the islands major banking business consists of booking international loans and investment management. Most of the City of London's merchant and clearing banks have finance and trust offices in either St. Helier in Jersey or St. Peter Port in Guernsey.

The offshore fund management business has grown particularly fast, thanks in part to the boom in world stock markets in the past couple of years. One flourishing sector was the popular UK currency roll-up funds which accumulated some £2bn in Jersey.

The Thatcher Government's decision to close the tax loophole that made them possible was a blow. Rothschild's Old Court International Reserves, the biggest fund, shrank from ove $1bn to about $300m, though it has come back a bit since. But if the islands suffer from changes in UK tax law, they can also benefit. The Chancellor's decision to make UK banks pay interest to depositors net of tax does not apply to the Channel Islands, so banks there should have a greater appeal.

Ironically, the islands' banking growth is more likely to be constrained by local bottlenecks than a lack of business, specially in Jersey with its tough housing and immigration rules and shortage of qualified workers.

The Jersey States (government) hopes that computerisation will aid efficiency and enable banks to pass more business through their operations there (a lot of it is, after all, very routine).

Even so, the island is going through a period of budgetary stringency, and the temptation to ease admission rules or raise taxes has been growing.

Business picks up after IBF blow

The Caribbean

MAIO ELSTOB

AFTER high growth in the late late 1970s, culminating in record leaps during 1981, the four main Caribbean offshore centres slowed down dramatically in 1982. In the case of the largest, the Bahamas, business volume went into sharp reverse.

For 1983 the Bahamas and the Cayman Islands show slight growth, while Panama, which disputes second place with the Caymans, fell back somewhat. Figures are not yet available for the 1983 performance of another main centre, the Netherlands Antilles.

1982 was of course, the year of the Mexican liquidity emergency, marking the beginning of the Latin American debt crisis. It was also the first year of operation for the international banking facilities (IBFs), whereby "offshore" books can be run from New York and other U.S. centres.

At their incention in December 1981 the IBFs were seen by some as sounding the Caribbean centres' death-knell. This prophecy, based on poor understanding of both the IBFs and the offshore centres, has turned out to have been false, as Caribbean-based bankers are quick to point out.

The IBF's certainly took away some business, and prevented other new business coming. But it is impossible to calculate exactly how much. "Because it was a U.S. initiative some U.S. banks here did their bit to support it," says a European banker based in the Bahamas. "But last year a lot of that business came back again."

Offshore bankers highlight the disadvantages of IBFs. Not only are they restricted to business with each other and non-U.S. residents. There are also minima of 48 hours and $100,000 on customer accounts. From the point of view of non-U.S. banks there are other drawbacks too. Although exempt from federal and New York City taxes, IBFs based there are not free of New York state tax, for example.

Most important of all, they are still subject to U.S. laws, which make it impossible to offer the same degree of confidentiality as can be obtained in a jurisdiction where the law actually forbids disclosure to outside authorities of the details of an account.

Apart from experiencing new competition from the IBFs, the offshore centres have also seen a different challenge emerging in the form of subpoenas from Florida counts seeking confidential information on offshore accounts with alleged organised crime connections.

This raises the question whether the U.S. authorities having attempted to match the centres' tax-exempt status for non-U.S. residents with the IBFs (and for U.S. residents with measures like the planned lifting of withholding tax on U.S.-issued bonds) are now attempting to put pressure on the second element of offshore banking, confidentiality. Although narcotics investigations are involved at this stage, are these merely the stalking horses for bigger game, namely tax-avoiding U.S. corporations?

Bankers in both the Bahamas and the Caymans, towards which most of the subpoenas have been directed, are unanimous in denying that they subscribe to so paranoid a perspective. They regard the U.S. authorities' born-again interest in offshore accounts as no more than straightforward criminal investigation, and not as the thin end of any IRS wedge.

They do not want the business of drugs dealers, they say, and point out that illegally-generated money is just as likely to be laundered in Miami.

"We have been turning down cash deposits from U.S. residents for some time," says a Panamanian banker. A banker in the Caymans says his bank no longer takes trust business from U.S. residents. "After the 1976 U.S. Tax Reform Act, it is just not an advantageous thing for a U.S. resident to do." The implication is clear. Only someone who had obtained the funds by breaking U.S. law would now be knocking on an offshore bank's door.

As for confidentiality, the laws of the centres themselves are a brake on the amount of disclosure that can be made, even in a criminal case. If the accused were found innocent, a Bahamas banker explained, he could sue the bank for breach of confidentiality.

All three major centres are in the process of drawing up voluntary codes of conduct, while the Netherlands Antilles is negotiating a new tax treaty with the U.S. The Bahamas code draws on Swiss law, which balances legal enforcement of confidentiality with a willingness to help outside authorities where criminal activity can be proved.

But banks in the centres are not merely reacting to events. They are confident that they have more to offer both U.S. residents and non-residents than would be suggested by the questions raised by either the IBFs (that they are merely tax havens) or the drugs cases (that they are places with top secrecy and no questions asked). Instead they point to the highly geared operations—in terms both of human and financial resources—which are possible from offshore; and that, they say, can only be of benefit to the international financial system as a whole.

P. M. Elstob is editor, FT International Banking Report.

FOREIGN ASSETS OF DEPOSIT BANKS IN THE MAJOR CARIBBEAN OFFSHORE CENTRES ($bn)

	1980	1981	1982	1983
Bahamas	125.47	150.29	132.33	134.39
Caymans*	33.01	42.08	46.65	49.03
Panama	34.21	41.10	43.48	37.50
Neth. Antilles	7.39	10.72	11.68	n.a.

* U.S. banks' branches only.

Sources: IMF, Panama Bankers Association

Trend from lending to financial services

Bahrain

PETER MONTAGNON

GROWTH IS no longer a foregone conclusion for Bahrain's 75 offshore banking units as the regional economic downturn, and the more cautious climate in international banking, takes its toll on this once thriving offshore financial centre.

At the end of last year total assets of the offshore banks stood at $62.7bn, a record level which marked a good recovery from the low point of $55.6bn in April 1983.

But in January they fell back again to only $59bn as end-year window dressing was unwound. That figure was only $1.4bn higher than that of January, 1983, a far cry from the exponential growth rates of the past.

While few bankers in Bahrain expect their offshore centre to wither away, most agree that it faces a new challenge of adapting to an era in which profits depend not so much on the exploitation of wholesale lending opportunities, but rather on providing financial services.

That means an end to the days in which a bank could expect to prosper with just a limited amount of paid in capital, a few staff, and a telex on which to receive offers of loan business, to fill out its balance sheet.

Several factors have combined to produce this new situation. First, and most important for Bahrain, lending opportunities in Saudi Arabia, on which many offshore units depended, have contracted with the economic downturn and more restrictive approach of the Saudi budget.

The Saudi authorities themselves also seem determined to force the pace of development of their own domestic banks and to limit the internationalisation of their currency.

Withholding tax on interest paid by Saudi borrowers to foreign lenders has begun to be levied, albeit patchily. Banks leading syndicated loans in Saudi currency now also have to obtain permission from the Saudi Arabian Monetary Authority before inviting foreign lenders in. And, earlier this year, SAMA began to mop up excessive liquidity in the Kingdom by calling for special deposits from local banks.

The amounts involved are not large — about SR 400m a week is now being absorbed — but bankers in Bahrain fear that these steps will eventually lead to a drop in the availability of Saudi currency in the Bahrain market. In turn, that would tend to curb their business opportunities in Saudi Arabia.

At the same time Bahrain has been caught up in the world-wide slowdown of international interbank business. Following the outbreak of the developing country debt crisis in 1982, banks have become much more careful about lending to other banks, particularly in centres where there is no established lender of last resort.

Bahrain has suffered in this respect because many banks from outside the region feel the political and financial risk they are running by placing

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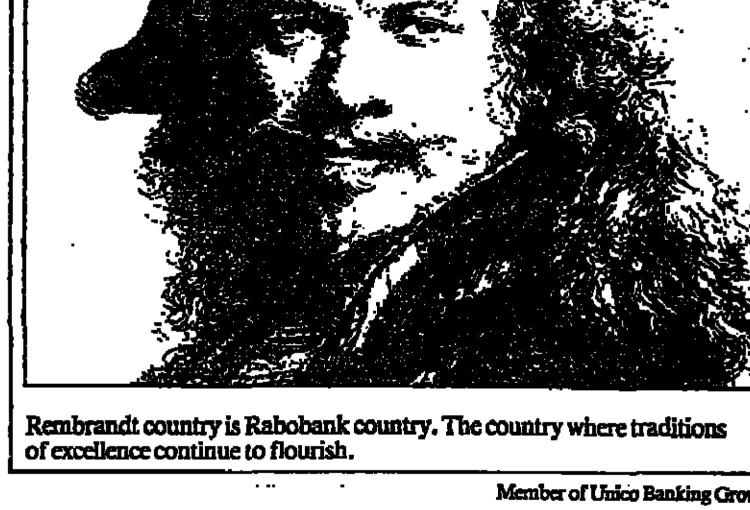


No bank can afford to lag behind

BANKERS TODAY must feel like survivors of an earthquake faced suddenly by a tidal wave, the "tsunami" which follows a seismic disturbance.

They have only just come to terms with the fact that banking as they know it is changing irrevocably and that much of that change is being driven by advanced technology.

Changes in technology

ALAN CANE

Now they have to face the fact that the technology itself is changing at remarkable speed, offering new business opportunities to those banks able to keep pace but threatening to relegate those that lag behind to the finance industry's second division.

Their response, to be frank, has been ragged. Some banks—Citibank is the prime example, boasting aggressively of the $500m it has invested in advanced electronic technology over the past three years—positively glory in the new possibilities.

Others are more cautious and less assertive, but all are mulling over their strategies, driven by the fear that if they are not to the fore with a novel electronic service others will steal the advantage.

A good example of the speed at which technology is driving banking practice is afforded by electronic corporate cash management.

Two years ago this was the hottest topic in electronic banking, offered by a handful of the bigger U.S. banks—Chemlink from Chemical Bank, Infocash from Chase Manhattan, Citibanking from Citibank, Mars from Morgan Guaranty.

None of the British clearers had an electronic product on offer at the time, yet within 12 months each was firmly in the market. Admittedly, each was using a proprietary product tailored to its needs.

Barclays Bank, for example, offers its own version of Chemical Bank's Banklink system which is run over the largest commercial timesharing network in the world, Geisco's Mark III. Now it has over 100 customers in 11 countries.

Electronic corporate cash management is just one variation on the common theme for banks and other financial services organisations. It entails exploitation of the "electronic umbilical cord" between the *bank and the customer*, a development made possible only by the evolution of a new generation of computing hardware and software.

The banks were among the first commercial organisations to make use of computers, and their earliest systems were heavily oriented towards batch processing. There was no real alternative, for the computers of the day were simply not up to holding a dialogue with their users—what data-processing experts call "transaction processing."

Their processing systems were mostly bespoke, built by the bank's own computer specialists with the help of software houses and running on expensive mainframe computers. It was at this stage that IBM planted its flag so firmly on banking territory.

With the emergence of minicomputers, smaller, cheaper but with great processing power, it became possible for individual bank branches to have their own computers for accounting, foreign exchange dealing and the like. Software houses, especially in London, made their reputations by providing the software for these computers. BIS's Midas, Hoskyns' Kapiti and Arbats ABS were the leaders in what was still basically a batch-processing oriented market.

The emergence of the microcomputer, or, more precisely, the professional personal computer, and the development of sophisticated transaction - processing hardware and software changed all that.

Personal computers

Now, as one banker said recently: "Our major problem in technology is to understand how to deal with the personal computer."

The pattern that is emerging is this: customers, whether corporate or private, can have access to their files, held on the banks' computers, through a video terminal.

If the video terminal is also a personal computer—that is, if it has "intelligence" or data-processing power—it can be used to handle the information on the customer's files in a variety of ways, enabling each customer to carry out modelling and analysis on his data.

So within two years the emphasis has changed from corporate cash management (taken these days to mean a link from the banks' computers to a simple terminal in a treasurer's office giving daily information on a company's position and exposure worldwide) to treasury management, using a personal computer as the terminal and—potentially—a whole range of advanced software tools.

For example, if the customer's terminal is an IBM PC—easily *the personal computer of choice* for all U.S. Treasury management systems—it is possible to offer the Lotus 1-2-3 package as part of the Treasury system.

Lotus 1-2-3 is now one of the most successful U.S. software packages, combining in a single product spreadsheet, file management and graphics capability. It is said that over 70 per cent of IBM PCs in the U.S. have been acquired simply to run this program.

However, these systems are still in the future. Almost all the treasury management systems on offer at present have only software written by their suppliers. One of the most advanced treasury management systems — Bank of America's International Treasurer, for example—monitors a company's international treasury position in terms of foreign exchange exposure, interest exposure and liquidity positions.

It allows the treasurer to evaluate his own performance in covering his foreign exchange positions and in borrowing and depositing funds in the market. It periodically revalues contracts and displays foreign exchange and interest gains and losses.

Citibank offers on its PC a service called "Autoreport," which uses the intelligence built into the personal computer. When a key is pressed it will ring, automatically, each of the branches in which a corporate treasurer may have an account, collect the details, collate the reports and print them out.

The theory is that most corporate treasurers look at the same reports daily and that in practice this can be carried out automatically. It is all a far cry from the balance reporting service printing out on a teletype terminal, but it should not be thought that treasury management is as hot a topic with customers as with the banks.

Most of the enthusiatic users of treasury management services are the largest corporations and the banks themselves, all heavily involved in international foreign exchange dealing. In the UK, BP and Esso are widely regarded as among the best users of electronic treasury management.

For the smaller companies the advantages are less obvious. Earlier this year Mr Alan Vosper, assistant treasurer of Chloride Group (turnover £379m in 1983) complained that the banks paid little heed to the needs of the smaller company and his views found a sympathetic echo in other organisations.

'Electronic umbilicus'

For the banks themselves and for their customers, the advent of the "electronic umbilicus" requires a new level of resilience in both hardware and software.

A certain amount of downtime could be tolerated when the banks' computing activities were limited to batch processing. When high-capacity transaction processing is the order of the day, downtime cannot be tolerated at all. This explains the remarkable success of one computer company, Tandem, in banking markets.

Tandem markets a range of computers originally labelled "non-stop" and now more realistically as "fault-tolerant."

Tandem's idea was to create a computer which never stopped running. It did this partly by brute force—doubling up on processors and data paths, "mirroring" the essential memory discs—and partly by extremely clever software techniques which meant that if a Tandem machine was halted by, say, a total power failure, it "degraded gracefully."

In other words, all the data being processed was stored so that when the current was switched on again the system took up from the point of failure without a hitch.

For the banks, used to keeping a second mainframe computer on "warm standby" in case of emergency, it was powerful solution to the problem of staying on the air at all times, and they bought the Tandem "NonStop 16" in hundreds.

It became the first choice for systems integrators developing banking software. An example is Applied Communications (ACI), developers of a package called Base 24 which is the software needed to run a network of on-line automated teller machines.

Another is Logica, the London-based systems company which used Tandem computers as the "nodes" or gateways of the London Clearing Houses payments system CHAPS.

But so fast is technology advancing that Tandem is already having to look to its laurels. Fault-tolerant hardware and software is now being offered by other companies, notably Stratus, which began several years later than Tandem, which have been able to take advantage of the most recent advances in microelectronics.

Now ACI offers a version of its ATM-linking software on Stratus computers. It cannot match the sheer capacity of the Tandem equivalent, but it does represent a reasonably low-priced entry into ATM networks for organisations such as building societies.

All the new transaction-based services the banks and others are offering or planning will require a *high level of fault-tolerance* in the computing hardware and software.

Electronic funds transfer at this point of sale (EFT/POS) or cashless shopping would be impossible without reliable processing and telecommunications.

Advanced communications technology speeds up today's foreign exchange operations: above, a section of the dealing room of Merrill-Lynch

New generation of computer hardware and software

THE NEW generation of computer hardware and software promises sufficient reliability, and most of the developed world is going ahead with plans to make shopping by plastic credit card a reality by the year 2000.

The UK banks are committed to a pilot scheme due to go live in 1986. In the U.S. a myriad of experiments has been run over the past decade or so and some are showing signs of success. They include the Publix supermarket chain in Florida and the Matrix Financial Network in New York, a venture between Manufacturers Hanover Trust and NCR, a computer company with major interests in EFT/POS.

In France experiments are being made with conventional EFT/POS, where a plastic card bearing a magnetic stripe is used in conjunction with a point-of-sale terminal connected through a switched network to the customer's bank, alongside the "clever" card, a French invention which has a potential in many areas apart from cashless shopping.

This consists of a complete computer sealed into a plastic card no bigger than a conventional credit card. It can be used as an electronic chequebook: credits can be stored electronically in the card's memory and information read from the card can be used to make a wide range of payments.

Applications

It was originally seen as a way of overcoming poor telecommunications, which would have rendered useless the conventional EFT/POS on-line techniques. Now that its broader applications as a personal identification device have become clear, the U.S. armed forces, among others, are showing interest in using it as a way of restricting access to secure areas.

Just as electronics has opened up the banking business to nonbanks, so it has opened up the electronic banking business to companies not traditionally associated with banking.

All the banks are now pondering their next generation of banking systems; besides their traditional suppliers of hardware and software there are new names like Hogan Systems, Anacomp and now Wang.

Wang is best known as an office automation company. Its banking product Priority was written by an Australian company of the same name and its hopes of success are pinned on the reputation of its computing systems.

Wang's move into a market where nobody would have given it much of a chance five years ago is symbolic of the upheaval in the banking world, where nothing can be taken for granted except that banks in 1994 will be nothing like banks in 1984.

David Rance, financial banking industry manager for Wang, has put it simply: "All banking systems written so far have been written for the banks of today. What we are aiming at are systems written for the banks of tomorrow."

Bahrain offshore units

CONTINUED FROM PREVIOUS PAGE

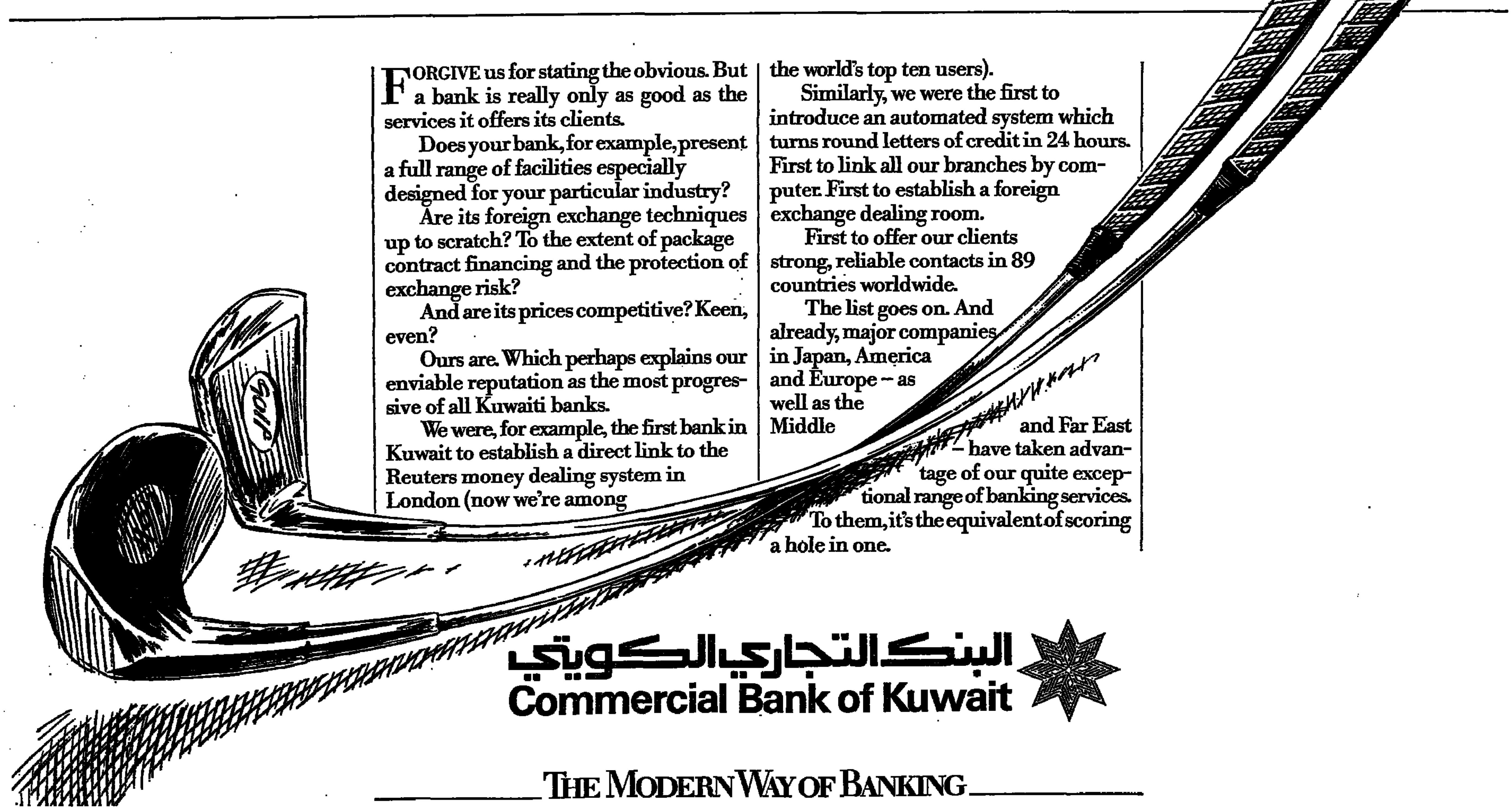
deposits there has been enhanced by the Iran-Iraq war, and the collapse of Kuwait's unofficial stock market.

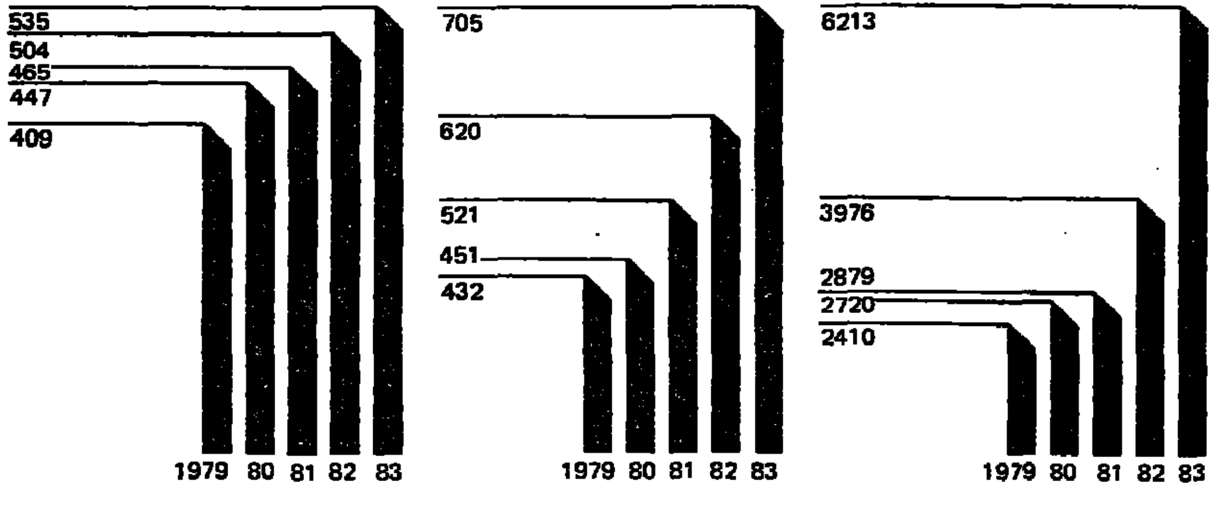
A telling way in which this has affected the ability of offshore banks in Bahrain to attract deposits lies in the maturity structure of their liabilities. Almost all the growth in liabilities last year was concentrated at the very short end of the maturity spectrum. Last year, liabilities maturing in periods up to and including one month rose by $5bn to $33.9bn; longer term liabilities actually fell by $1.3bn to $28.8bn.

This is in marked contrast to 1982 during which growth had been equally shared between the very short term liabilities and longer term liabilities, each of which had recorded increases of some $4.1bn.

Part of the increase in short term liabilities last year reflected end-year window dressing operations. Some bigger U.S. banks also increasingly passed some of their money market operations through Bahrain, but there is no disguising the message in these figures that smaller banks found it harder to attract longer term deposits, a situation which is improving slowly in 1984, according to officials at the Bahrain Monetary Institution.

Faced with the stagnation of traditional banking business, offshore units in Bahrain are, however, increasingly turning their attention towards investment banking. United Gulf Bank, for example, is developing portfolio management business. Arab Banking Corporation is becoming increasingly involved in mergers and acquisition business worldwide. Arabian Investment Banking Corporation aims to seek out investment opportunities for wealthy Arabs.





Last year brought record profits for some sections of the Nordic banking world. FT correspondents analyse the factors behind these results on this and the following page

Sector more cautious now

THE FURTHER fall in Swedish Central Bank interest rates expected at the beginning of the year has not materialised and the banks are becoming more wary about their prospects for 1984.

Last year the profits came rolling in unprecedented fashion after several lean years, thanks chiefly to the more benign interest rate policy pursued by the Riksbank, the Swedish Central Bank.

Sweden

KEVIN DONE
in Stockholm

The winds of deregulation have been blowing through Swedish financial markets—the banks now enjoy greater freedom in fixing lending interest rates, and the Riksbank has abandoned its long-lived liquidity requirements for the banks — but Swedish bankers still often claim that they are more strictly controlled than any other sector of the Swedish economy.

Interest margins are by far the most decisive factor behind movements in the banks' profitability but the steady fall in interest rates enjoyed by the banks last year has come to a halt during 1984.

Market interest rates did continue to fall during the first part of 1984, but the influence of events in the U.S. has been felt clearly in Swedish financial markets too with the effect that rates have been rising in recent weeks in Sweden.

Leading Swedish banks are no longer so optimistic that the Riksbank will find room to lower its official rates—on the contrary some are forecasting an increase towards the end of the year—and correspondingly hopes for building further on last year's profits bonanza have been dampened.

Last year was a record for the Swedish banks. The commercial banks achieved a 55 per cent rise in aberrating profits compared with a meagre increase of 8 per cent in 1982.

Interest earnings, which accounted for 69 per cent of total operating revenues in 1983 compared with 65 per cent in 1982, rose by 37 per cent according to a study made by the Swedish Banking Federation.

For the first time in several years the banks managed to halt the negative trend in their equity assets ratios and capital ratios. The profitability of the Skandinaviska Enskilda Banken group (S-E Banken), the largest banking group in Scandinavia, jumped for example by 6.1 per centage points to 23 per cent (the return on equity and reserves), its highest ever. Similar developments were reported by S-E Banken's main rivals.

Svenska Handelsbanken, the second largest Swedish banking group, emerged as the country's most profitable bank with the best return on group equity at 23.3 per cent compared with 18.5 per cent in 1982, but S-E Banken did manage to close the gap.

S-E Banken boosted its group operating profit by 62 per cent to SKr 2.3bn, while the operating profit of the parent bank jumped by fully 73 per cent to SKr 1.9bn.

Among other moves towards deregulation the Riksbank last year decided that it would no longer formally regulate interest rates on lending. In practice, this does not mean too much, however, as the Central Bank still only allows insignificant and temporary deviations from the previous average interest rates.

The Central Bank still regulates, too, the volume of the banks' Swedish krona lending and here the guidelines mean that the banking sector is again operating this year under strict controls. The squeeze has been tightened as part of the authorities' fight against inflaton and the volume of Swedish krona lending will only be allowed to rise by 4 per cent this year above the 1983 level.

Fee income, too, showed a healthy rise in 1983 reflecting in part the surge in the Swedish stock market. During the period 1981-83 the number of companies listed on the Stockholm Stock Exchange increased from 103 to 150, while from 1980 to 1983 the volume of trading showed a tenfold rise from SKr 7.6bn to SKr 75.8bn.

The interest from foreign investors in the Swedish stock market made it possible to sell SKr 3.7bn worth of Swedish share issues in international markets last year.

Overall, there was a record level of new share issues in the Swedish market with SKr 6.1bn of risk capital entering the market through rights issues and other issues in the market.

During the year, 28 companies entered the new OTC market (over-the-counter) which aims at providing small and medium-sized companies with risk capital.

All this activity showed through clearly in the banks' commission earnings, but here too 1984 is proving a more sober experience. There has been a net inflow of Swedish shares back into the domestic market, turnover is down with foreign investors exhibiting less interest in the Swedish market, and by the middle of May the Stockholm share index was showing a rise of only 3 per cent from the beginning of the year compared with rises of 65 per cent in 1983, 36 per cent in 1982 and 58 per cent in 1981.

The move towards greater freedom in Swedish financial markets is also being reflected through the Government's willingness to allow PKBanken, the state-owned commercial bank, to launch its first share issue to private investors.

The state's stake in PKBanken, the third largest of the "big three" Swedish banks is being reduced to around 85 per cent.

PKBanken management believes the share issue will finally place it on a more equal competitive footing with its big domestic rivals and will allow it to take part more easily in the restructuring now under way in the Swedish financial sector.

Sweden is fast becoming the last country in Western Europe to open its borders to foreign banking operations, but here too the pressure for change appears irresistible.

A Government committee is studying the question as part of overall investigation of the structure of the credit market and a preliminary report is expected as early as this autumn.

Mr Kjell-Olof Feldt, the Swedish Finance Minister, said recently in Parliament that the establishment of foreign banks would be a "valuable addition" to the Swedish credit market. The earliest that legislation could be presented to parliament would be spring, 1985.

TOP THREE SWEDISH BANKS
(SKr bn)

	Assets	Operating profit		Profitability†	
	1983	1983	1982	1983	1982
S-E Banken	162.8	2.3	1.4	23	16.9
Handelsbanken	141.4	1.9	1.4	23.3	18.5
PKBanken	141.4	1.9	1.4	19.3	18.5

† Return on equity and reserves after taxes.


Commercial offices in the heart of Stockholm: winds of deregulation have been blowing through the Swedish financial markets

Competition intensifies

THE DANISH banks made huge profits last year. The net profits of the big three commercial banks, Danske Bank, Copenhagen Bank and Privatbanken were in each case over 2 per cent of the balance sheet total and these results were not exceptional.

The banks' earnings were derived primarily from gains on share and bond portfolio values, of which about 80 per cent are in the form of unrealised gains.

Denmark

HILARY BARNES
in Copenhagen

Under Danish accounting practice, however, both the unrealised and the realised gains are entered into the profit and loss account as the whole of the difference between the market value of the portfolios on the final days of the accounting years.

The total profits of the commercial banks were about DKr 148bn, made up of a profit of DKr 15bn on bond portfolios and a loss of DKr 18bn on operating account. The enormous earnings on bonds gave many of the banks a formidable return on equity capital, with Jydske Bank, the fast-growing Jutland-based concern which now ranks as the country's sixth largest commercial bank, reporting a return of 97 per cent.

Last year's results have created an intriguing situation in Danish banking. For one thing, last year's profits were to a large extent profits foregone in succeeding years. If bond prices had not soared last year but remained stable the earnings on the bond portfolios would have come in gradually as the bonds approached maturity.

Major factor

Another important factor is that banks have to pay tax on their earnings at the rate of 40 per cent which is, the standard corporate income tax rate.

This is no problem for the banks with short maturity portfolios, and the biggest banks say they will be able to pay this year's heavy taxes out of current income; but not all the banks will be able to meet all the tax demand from current income.

Banks having portfolios with long maturities, one of which is Jydske Bank, may have to sell bonds to raise cash for taxes. In early May, soon after an economic policy compromise in the Folketing (Parliament) had pushed bond prices up, there was some substantial selling of bonds by banks, probably, at least in part, with tax demands in mind, although the taxes do not actually fall due until November.

This year the banks cannot expect to make another big killing such as they made in 1983, when average effective interest rates in the bond market plunged from almost 20 per cent at the end of 1982 to just under 3 per cent at the end of 1983. Share prices doubled as well.

If the banks are unlucky and bond prices at the end of this year are lower than at the end of 1983, which few observers expect, some banks would have to report a bottom line figure in red.

This emphasises the need for the banks to begin to earn money on operating account. They will gain some relief this year from a decline in the very large loss provisions they have had to make over the past three or four years. With the economy picking up, especially in the corporate sector, provisions should be significantly lower.

But the competition for earnings is fierce, and it is widely expected that within the next year or so there will be some major mergers, both among the commercial banks and the savings banks. Moreover, the mergers may well involve some of the larger banks in both sectors.

These changes could cause an interesting reshuffle in the banking order at the top of the Danish banking world, but so far there have been no signs that any merger negotiations are actually under way.

Moves to ease further interest levels

Norway

FAY GJESTER
in Oslo

AFTER several poor years the Norwegian banks sharply improved their profitability in 1983. Commercial bank operating profits, as a proportion of total assets, averaged 1.7 per cent, compared with 1.21 per cent in 1981 and 1982, and only 1.15 per cent in 1980 (see graph).

The improved results reflected several factors. Most important was the fall in money market rates, which cut the cost of the banks' own borrowing. Their borrowing needs were down on a year earlier, in any event, because primary reserve requirements were lower than in 1982. These developments led to a marked rise in net interest earnings—the banks' most important source of income.

This month the Finance Ministry announced moves to encourage a further easing of interest levels, thus continuing the trend that began early last year. A new long-term Treasury loan will pay only 12 per cent interest—one-quarter of a percentage point down on the rate offered for the last such loan.

Moreover, the interest payable on *Treasury Bills is being* cut by one half of a percentage point. The aim is to hold money market rates within the 12.5 per cent to 13 per cent range, compared with 13-13.5 per cent previously.

The Ministry expects the banks to pass the resulting savings in interest costs on to their corporate customers in the form of lower charges on overdrafts and short-term advances and lower interest rates on medium, long and long-term loans for investment purposes. Interest rates on housing loans, and loans to finance private consumption, will not have to be cut.

This month also brought a further liberalisation of credit policy along lines recommended by the Bank of Norway. Regulation of lending by finance companies is to end and with it the curbs on bank guarantees of market loans. The 1984 lending ceiling for the commercial and saving banks are being raised by a total of NKr 2bn to NKr 17bn. Lending quotas for some of the state banks have also been increased. These changes were announced on May 11, when the Government tabled its revised National Budget for the year.

There was, however, no reduction in the primary reserve *requirement imposed* on savings and commercial banks. This remains at 7 per cent, compared wtih only 4 per cent through much of last year. It has been twice increased this year, from 4 per cent to 5 per cent on January 1, and by a further two percentage points, to 7 per cent, from March 1.

The second increase was a reaction to the NKr 9.4bn *expansion in bank lending which* took place during the first quarter, though much of this was simply a reaction to the lifting, on January 1, of direct controls on bank lending.

Borrowers who would previously have sought finance on the unregulated market were *again* able to borrow from the banks. As the Bank of Norway has pointed out, there is no *evidence that the first-quarter* bank lending surge has created inflationary pressures in the economy.

If last year's better profit trend can be sustained, the banks will not be forced to float new share issues so often as during the past few years. These frequent capital increases have been necessary—in the absence of adequate profits—to maintain the required ratio between equity and total assets.

Last year Norway's "Big Three" (Den Norske Creditbank, Christiania Bank and Bergen Bank) floated issues with a total par value of over NKr 800m.

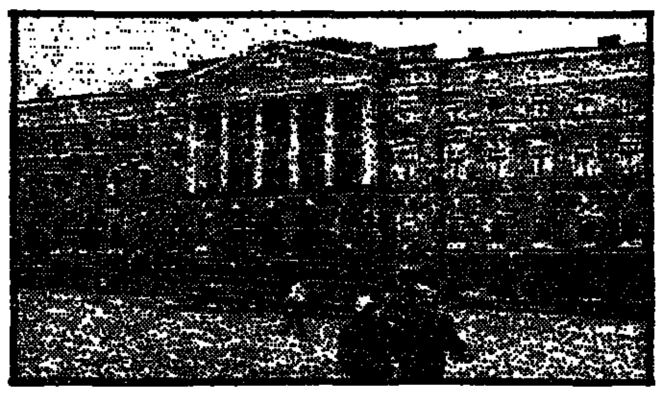
Competition among the banks has sharpened of late, stimulated by the loosening of controls in the banking sector. Regulations restricting the establishment of new branches have been liberalised. For instance, the banks are to be given greater freedom to fill gaps in their branch networks. This is particularly important to the "Big Three," which—unlike the smaller regional banks—compete with one another nationally.

The acquisition of new, strategically - placed branches has been an important incentive in mergers and acquisitions involving the trio. One example is Christiania Bank's recent take-over of the northern-based *Fiskernes Bank*.

The more liberal climate has also begot a newcomer. In March the Government formally granted permission for the establishment of a new domestic commercial bank—Oslobanken. The first new Norwegian bank in 37 years, Oslobanken intends to specialise in wholesale banking, making higher charges than usual for retail services such as cheque - cashing. Its first share issue last month (for NKr 60m) was almost seven times oversubscribed.

On the horizon is the prospect of foreign competition. A Bill *that will permit foreign banks* to set up subsidiaries in Norway is expected to receive Storting (Parliamentary) approval before the summer recess, and the first of them could open for business early next year.

Initially, only a limited number are likely to be allowed. Some will possibly be joint *ventures between foreigners* and Norwegian banks


The Finnish Government offices in Helsinki: the economy is well into an upswing

Signs of new vigour

Finland

LANCE KEYWORTH
in Helsinki

VIRTUALLY EVERY billboard along the main streets of Helsinki, and most of the available space on the city trams and buses, are advertising, of all things, the new share issues of the big two commercial banks, Kansallis-Osake-Pankki (KOP) and Union Bank of Finland (UBF).

It is a sign of the times: Finnish banking is no longer the staid business it used to be. As if to emphasise this, the past year has also seen a number of changes in the Bank of Finland's regulations.

The Helsinki Stock Exchange, too, is experiencing a burst of vigorous activity, partly because of several new flotations, and partly because of an upsurge of foreign interest in acquiring stock in Finnish companies. Changes in the financial market have been in the offing for some time. Now they are coming thick and fast, and there will certainly be more as the year advances.

At the same time, the Finnish economy is well into an up*swing after two years of reces*sion, and this is likely to continue for a couple of years. In accordance with its usual anti-inflationary policy during the rising phase of the cycle, the Bank of Finland has turned the money market screws and will tighten them further.

The process started in the latter half of 1983 and the banks complain that it affected *their profit margins in the past* fiscal year. Their annual reports record "a satisfactory year in view of the circumstances." By contrast, the two preceding years were described as "good."

The combined results of all the commercial banks in 1983 showed a 16.5 per cent increase in net earnings to FM 302m (about £37m). But interest earnings were down one per cent to FM 1.75bn and operating margins narrowed by 6.6 per cent to FM 971.7m.

The base (discount) interest rate has been maintained unchanged at 9.5 per cent since July 1983. Now that most of the new wage contracts have been signed and are not as inflationary as was once feared, no increase is likely.

Indeed, the latest estimates are that the government's target of 6 per cent inflation this year (against 8.6 per cent in 1983) might be met, and industry is calling for a reduction in the base rate to help the heavily debt-ridden corporate sector. But, while demand is strong and growing stronger, this looks unlikely.

Under a voluntary cartel system (which may well be dissolved in September this year), all bank deposit rates have been pegged to the base interest rate and lending rates have been strictly controlled by the central bank on the same basis. But an uncontrolled short-term money market has developed alongside the controlled market.

Another cartel was established which limited the rates on these funds to 15 per cent, but it collapsed in April when the central bank allowed the three foreign banks established in Finland unlimited access to its call money market where the rate was 17 per cent.

Now the call money rate has been reduced to 16.5 per cent and the "free" money market rate has risen to about the same level. This perhaps enables the central bank to keep a closer eye on the free market.

After the abolition in January of the old quota system of central bank financing and various other changes, the two sharp instruments of control retained by the Bank of Finland are the call money market, the sole source of central bank financing available to the banks, and the cash reserve deposit scheme.

The latter has been used increasingly of late. In April the cash reserve deposit requirement was raised to 5.6 per cent. Under the agreement between the Bank of Finland and the *commercial banks, the maximum* obligation is 8 per cent.

Vote ends uncertainty over secrecy

FOR SWISS bankers a period of uncertainty has just ended. Last weekend the electorate voted to reject the so-called Banking Motion of the Social Democrats and the trade union movement.

Conceived in the general outrage at the Chiasso scandal of 1977, when a good SwFr 2bn of clients' money was misappropriated by local branch managers, the referendum proposal aimed at countering what its backers saw as "systematic abuses" by or involving Swiss banks.

Switzerland
JOHN WICKS
in Zurich

It was always unlikely that the motion would be accepted by the necessary double majority of popular and cantonal votes. Left-wing backing for a referendum usually does more harm than good in Switzerland, quite apart from which the average Swiss approves of the banks rather than otherwise.

Nevertheless, bankers will be relieved finally to know that the long period of suspense is over.

While the proposal categorically guaranteed the upholding of banking secrecy, it did a great deal to weaken this as a general principle.

Among the constitutional amendments embodied in the motion were those laying down that banks, finance companies and the like would "be obliged to give information to authorities and courts in fiscal and criminal cases" and that Switzerland should as a rule support foreign countries in their criminal investigations—specifically including those involving fiscal and currency offences.

At the same time, banks were called upon to improve their reporting procedures, while rules were foreseen to limit the banks' influence on outside companies and to introduce a scheme to insure clients' deposits. All in all, it is understandable that the bankers were nervous at the mere possibility of the motion being approved.

Not the least of their fears has been what the Swiss Bankers' Association calls a "loss of confidence on the part of foreign customers and a consequent exodus of funds with negative results for the domestic Swiss economy."

In fact, the Chiasso affair and the Damocles sword of the Banking Motion have already brought out a number of moves to tighten up control over the banking system.

Within three months of the Chiasso disclosures, the Swiss National Bank had brought about an ostensibly "voluntary" agreement with the Bankers' Association to improve the identification of clients' funds and counter bank action to aid and abet the flow of fugitive money from abroad; to date, at least 13 banks have been fined —two of them sums of SwFr 500,000 each—for contravention of this agreement.

The Swiss Banking Commission has also been taking a much stronger tone as the official "watchdog" authority, having among other things called on over 30 banks to increase their provisions against sovereign risk.

The generally more critical line on bank control has also been reflected in the draft for the revised Banking Act. Among other things, this proposes deposit insurance as foreseen by the Banking Motion.

In a move to anticipate this, the Bankers' Association recently came up with its own insurance project, which is based on "fire-brigade" action by signatory banks in case of the failure of one of their number—rather than on the unpopular idea of a standing insurance fund.

Swiss banking has also been subject to not a little pressure from abroad, particularly from the United States. As a direct result of repeated moves by the Securities and Exchange Commission, the Bankers' Association agreed in 1982 to a special Memorandum of Understanding by which U.S. clients signed a waiver empowering their identity to be disclosed in the case of insider inquiries.

Now this has become superfluous—but only because of the final introduction of insider-trading rules under Swiss law.

Apart from all this, the banking sector is doing very well for itself. Balance-sheet totals expanded by over 7 per cent during 1983—to little short of SwFr 500bn for 71 reporting banks—reflecting a real growth in business as well as the effect of a stronger dollar.

Initial indications are that assets have risen again in the first quarter of 1984 despite a slight drop in the dollar rate.

Growth

More important than this is the fact that 1983 doubtless showed the highest bank profits in history.

Earnings of the Big Five—Union Bank of Switzerland, Swiss Bank Corporation, Crédit Suisse, Swiss Volksbank and Bank Leu—rose by between 10 and 22 per cent, with similar profit growth for most other leading banks.

One of the most encouraging features of last year's profit-and-loss accounts was that almost all sectors of activity contributed to the overall rise in income.

The biggest gains were in net commission earnings, thanks largely to the stock market boom at home and abroad, and in net earnings from securities.

Increased business volume led to a rise in net interest earnings—in part substantial—for most banks despite narrower margins. Only in the field of precious metal and foreign exchange trading do total profits seem to have fallen off.

Bankers traditionally dislike presenting too rosy a picture of their business, but almost everyone agrees that 1983 was an excellent year. This was reflected in the fact that ten of the 14 banks listed on the Zurich bourse have increased their dividends, something which is by no means usual.

The first few quarterly reports for January-March, 1984, suggest that the favourable conditions are continuing. Bank Vontobel, which has just published Switzerland's first-ever corporate profits forecast, already expects that listed banks will raise their earnings by 15 per cent again this year. The three biggest banks (UBS, SBC and Crédit Suisse) have themselves said they expect another very good year.

Good position

Swiss bankers will, however, still have to set aside large sums as provision against risks. The Banking Commission admits that Switzerland is in a good position in respect of sovereign risks in comparison with some other countries and believes that overall exposure declined in 1983; at the end of 1982, Swiss banks had had a total exposure of SwFr 23bn in 60 "problem countries," some 60 per cent of this in Latin America.

Nevertheless, the Commission is watching credit limits closely and has, as already stated, acted to have coverage ratios increased.

SWITZERLAND'S BIG FIVE BANKS
(Figures in SwFr m)

Bank	Balance-sheet total 1982	1983	Due from banks 1982	1983	Advances to customers 1982	1983	Due to banks 1982	1983	Customers' deposits 1982	1983	Net profits 1982	1983	Net profit change (%)
Union Bank of Switzerland, Zurich	106,353	115,142	30,917	34,216	47,042	49,047	25,182	28,155	67,393	72,449	437.5	506.0	+15.6
Swiss Bank Corporation, Basle	96,816	105,156	31,783	27,504	39,562	44,312	22,102	23,123	65,294	71,349	369.5	429.0	+16.1
Credit Suisse Zurich	73,497	77,268	16,264	18,601	36,171	35,445	17,412	18,467	47,811	50,559	303.0	351.6	+16.0
Swiss Volksbank, Berne	19,737	20,646	2,478	2,498	14,026	14,696	1,943	1,617	16,151	17,414	50.9	62.2	+22.2
Bank Leu, Zurich	9,346	10,445	3,443	3,851	4,741	5,336	3,958	4,600	3,049	3,163	31.7	35.0	+10.3

Competition cuts into profit margins

KONSOLIDIERUNG (Consolidation) is the watchword for Austrian financial institutions this year.

After an uneven year in 1983, when the banks recorded some strengthening of their foreign business but a lacklustre home performance due in part to slower overall economic growth, Austrian bankers are cautious about prospects for 1984.

For the first time in many years, the average volume growth for the banks fell to single figures in 1983 compared with growth rates of 12-15 per cent in earlier years. The downward trend should be confirmed this year.

Several factors are responsible. Slower growth was inevitable after the strong expansionary impetus provided by the changes introduced in the 1979 Banking Act, which allowed all banking institutions to turn themesives into universal banks on the West German or Swiss model. The formerly highly sectionalised banking community rushed into new areas of business. Many new branches were opened, starting a period of intense competition for domestic customers. More banks also ventured into foreign business for the first time.

That impetus has now dampened and in practice the various groups — commercial banks, savings banks and other specialised institutions serving farmers and small businesses — still broadly retain their original market base and share.

But the strong competition cut into the Austrian banks' traditionally low profit margins. In the foreseeable future growth rates for the banks are likely to remain at about 6-8 per cent.

Austria's economic performance continues to compare favourably with that of many other industrialised countries. Inflation is still relatively low, currently running at around 5.5 per cent — up from 3.3 per cent in 1983 — while the estimated economic growth rate this year has been revised upward from 1.5 per cent to 2.5 per cent partly as a result of strong exports.

Consumer demand is still high although some companies say they are witnessing the first signs of a slackening of demand.

The financial institutions are now waiting to see whether the success of many medium-sized companies last year will lead to a greater demand for credits or whether they will draw on their own resources for investment.

Last year a poor investment climate, with uncertainty about the new Government's economic policy, resulted in a low credit demand from industry. End-of-year figures for loans to industry fell 3 per cent. Total domestic lending remained below average and would have fallen much more but for a high demand for loans from public institutions.

Public-sector and Government borrowing grew by about 50 per cent in 1983. Although the banks are hoping for a slight improvement in demand for credits this year the uncertainty remains.

The major banks have continued their steady expansion of foreign business. Creditanstalt Bankverein retains its lead, with foreign business accounting for nearly 50 per cent of its balance sheet.

Oesterreichische Landerbank und Girozentrale follows with 33 per cent and 30 per cent respectively. With more foreign business last year, the banks substantially increased their provisions against international lending risk as well as domestic risk.

Among the more negative features last year was the stagnation of savings accounts, attributed to the introduction of a 7.5 per cent tax on interest on savings deposits and bonds. This discouraged savings and encouraged consumption, which showed an especially strong increase at the end of last year in anticipation of new higher

Austria
PATRICK BLUM
in Vienna

rates of Value Added Tax taking effect on January 1 this year.

The tax on interest was originally devised to impose some form of taxation on the anonymous savings accounts which are tolerated by Austrian law. That anonymity was preserved by the banks deducting the tax at source. But some bankers fear that the introduction of the tax may result in a longer-term propensity to spend more and save less.

Indications so far this year suggest that savings may be increasing slightly, although still falling short of the levels recorded in earlier years.

More worrying for the banks is the potential impact of a recently published court ruling which re-interpreted rules on access to files giving tax inspectors greater access to information from businesses and banks.

This ruling has caused concern among financial institutions, which claim that it sets a precedent that could undermine the principle of banking secrecy.

Banking secrecy and anonymity are protected by Austrian civil and criminal law. Numbered accounts and anonymous accounts are allowed and widely used. Disclosing information about an account is an offence and access by non-bank officials is strictly controlled and limited.

Discussions are now under way between the banks, lawyers and the Finance Ministry to find ways to cancel the ruling, which some bankers claim could discourage people from placing their money in Austria.

The bond market had a near-record year in 1983 and provided one of the brighter spots on the domestic scene. The banks also had some success with the participation certificates introduced two years ago. The money raised by these certificates is invested in small industrial enterprises.

Individual investors are encouraged to subscribe by favourable tax concessions. More than Sch 2bn of these have been sold, providing a welcome boost to bank income from fees.

Also on the positive side, Austrian banks were able to reduce further the share of operating costs in their balance sheets. According to a recent OECD study on costs and margins in banking in OECD countries, the Austrian banks rank among the best — second only to Japanese banks — in keeping their operating costs low.

This can be explained by the keen domestic competition, which drives the banks constantly to improve their efficiency, the growth of foreign business, which is proportionately less costly, the high degree of electronic accounting and, paradoxically in view of the strong competition, the widespread co-operation between the banks in providing joint services such as the pooled cash dispensing system which operates throughout Austria.

GROWTH OF THE AUSTRIAN BANKS
(Millions of Schillings at the end of period)

	Total Assets	Foreign Assets	Foreign Liabilities
1980	1,858,724	314,473	362,368
1981	2,120,577	382,745	436,281
1982	2,537,483	454,087	478,810
March 1984	2,568,657	558,902	571,577

Despondent view of cost increases

Greece
ANDRIANA IERODIACONOU
in Athens

"WHAT PAY increases are we going to have to pay this year? I haven't even bothered to check. What's the point? However outrageous union demands are, we'll have to meet them," the manager of one Greek private commercial bank said recently.

His comment was typical of the despondency afflicting the Greek private commercial banks as they struggle to preserve shrinking profit margins against the odds of rising labour costs, tight monetary policies and declining private deposits.

Commercial banks account for just 10 per cent of Greece's banking business. Foreign banks represent about 15 per cent, while the lion's share is held by the state-controlled National Bank of Greece and the Commercial Bank Group.

Greek private bankers blame many of their problems on the state banking system. "Think of us as tiny sardines thrown into a tank with piranha," said one. "State banks have one enormous advantage over us—they don't have to worry about profits."

This fact has enabled the Government in the past two years to allow wage increases for political reasons without having to count the economic cost.

Salaries have been roughly pegged to Greece's 20 per cent-plus annual rate of inflation since 1982, while such changes as the extension of workers' paid leave from two to four weeks a year have made necessary the hiring of additional staff.

Strict restrictions on sacking staff, make it impossible to "trim the fat," bankers say. Operating costs have also gone up because of public utility rate increases. Charges for computer terminal telephone lines, for example, recently quadrupled.

Another problem is the complex system of reserve requirements and rebates applied to bank credits since the mid-1960s. This ties up over 70 per cent of banks' deposits in Treasury bills or other reserves.

This is coupled with an intricate web of credit restrictions designed to channel funds to preferred sectors of the economy. Bankers say recent measures to liberalise the tangle of over 100 interest rates applied in the past have only made a small dent in the system.

"The degree of freedom to define our own lending portfolios is virtually nil," one banker commented. "We just choose between Mr Yiannis and Mr Petros within the given restrictions."

Against this background, banks have had to cope with declining private deposits. In 1983 these reached $327m compared with a target of $400bn, as negative real interest rates relative to the 20 per cent inflation acted as a strong disincentive.

Commercial bank lending to the private sector increased by les than 13 per cent, compared to a 20 per cent target, a symptom of poor long-term loan demand during Greece's current investment slump.

One innovation last year was the opening of foreign exchange accounts with foreign exchange interest rates and withdrawal rights by Greek residents, which led to the opening of some $120m in deposits with commercial banks.

Yield

For 1984, the Government has raised savings deposit interest rates by 1.5 per cent to 15 per cent and increased the yield on treasury bills by 2.75 per cent, to 17.5 per cent for three-month bills and 17.75 per cent for six month bills.

But lending rates have remained frozen and the Government has remained set on a tighter monetary policy.

"The main thing is that we don't see an end to the squeeze in liquidity," said a banker. "We are living on 30 per cent of our deposits, which aren't growing significantly. We have to survive by being lean and hungry and serving as all things to all borrowing men."

For the 28 foreign banks with branches in Greece, however, the overriding problem is a continuing pitched battle with OTOE, the powerful Federation of Greek Bank Workers.

Since spring last year the radical leadership of OTOE has launched a campaign against foreign banks with two aims: to bring all foreign bank employees under its own union umbrella; and, that done, to establish employee participation in the banks' decision-making on all levels, including credit policy.

OTOE is trying to achieve its first aim by demanding that all foreign bank employees—who number about 3,000—transfer from their present non-union-controlled state pension fund to a small private fund which stipulates OTOE membership as a precondition for joining.

It is reported that OTOE has linked both these claims to giving its approval to the 1984 collective wage agreement in the banking sector. Foreign bankers fear that the Government may give in to OTOE's demands in the light of the European elections on June 17.

The two-year old Socialist Government led by Dr Andreas Papandreou, is naturally anxious not to annoy the unions in the pre-election period.

Foreign bankers say they are contemplating mass action if OTOE presses its demands. But so far they are not talking about a mass exodus from Greece.

"Most of us are prepared to stay on and fight," one foreign banker said in Athens. "What is certain is that the climate is discouraging new banks from setting up shop in Greece. Swiss, German, American and Japanese banks have come, taken one look, and gone."

Marathon crisis may cost $6bn to sort out

SPANISH MOVES to extradite Sr Jose Maria Ruiz-Mateos from West Germany, where he was detained on April 25—a year after state prosecutors in Madrid filed charges against him of currency and other offences—mark the last act of a marathon banking crisis.

Sr Ruiz-Mateos, founder and—before the Socialist Government came in and expropriated him in February last year—chairman and chief shareholder of Rumasa, Spain's largest private-sector holding company, controlled 20 banks.

Spain

DAVID WHITE

in Madrid

With the addition of this group, almost half the total of Spanish banks in existence in 1977 have run into serious difficulties—about 50. There is no longer even an exact count, since it has already happened that a bank has foundered, been rescued and foundered again with its rescuer.

The crisis reached its climax with three victims each outranking in importance all that had gone before—Banca Catalana, Spain's last full-scale regional bank, which had to be salvaged in 1982, the prestige Banco Urquijo, the leading industrial bank, which had to be taken over with official aid, and Rumasa, seized in extremis by the government.

Altogether the crisis, the worst ever in Spain and one of the worst of any Western country in recent years, has hit about a fifth of the banking system. The final figure required to sort it out is estimated to be close to a 13-digit peseta sum—in the order of $6bn or more.

The troubled banks have mostly been absorbed by more solid competitiors, including five by foreign banks, the last being Rumasa's flagship Banco Atlantico, awarded to a consortium headed by Arab Banking Corporation.

The Deposit Guarantee Fund—the bank hospital supported by all the banks, according to their deposits, and by the Bank of Spain—now has no more banks on its hands except for the remainder of the Rumasa banking division, which it has been charged with administering, and a collection of assets left behind by the banks which have passed through.

Sr Jose Ramon Alvarez Rendueles, who has been Bank of Spain Governor throughout the crisis, reaches the end of his mandate this summer confident that no further disasters are imminent.

The effect of five turbulent years has been to accentuate the concentration of banking in Spain. The "Big Seven" now control a total of 50 banks, compared with 29 in 1976, and account for about 80 per cent of overall bank deposits.

Fierce competition

However, competition remains fierce. Most of the banks have one or more subsidiaries which have been set back on their feet by the Deposit Guarantee Fund. Up to now the general rule—which does not apply to the Rumasa banks—has been to exempt these banks for several years from obligatory deposits and credit allocations, allowing them to invest these funds more profitably and thereby enabling them to offer highly competitive terms to investors.

This complicating factor contributes to the big banks' inability to operate an effective cartel.

Far from being afraid, as the Franco regime was, of further concentration between the major banks themselves, Socialist ministers would favour new mergers to give Spain a more forceful presence in international banking.

However, the personality mix on the Spanish banking scene limits the possibilities for new alliances. Banco Exterior, the number eight bank, is out on its own because it is majority state-controlled. The two smallest of the big seven, Banco de Santander and Banco Popular, are not considered to be in the marriage market.

The two Basque-origin banks, Vizcaya (which now has Catalana under its wing) and Bilbao, are no more likely to play on the same side than the two Basque football teams Athletic de Bilbao and Real Sociedad. Banco Hispano-Americano has enough on its hands following the takeover of Bankunion and Urquijo, now joined together as Banco Urquijo-Union, and the gloomy giants, Banco Central and Banesto are ancient rivals.

Close collaboration

Nevertheless, the main banks do collaborate closely in their dealings with the government. The main issues recently have been proposals for ensuring the reprivatisation, in Spanish hands, of the 17 other Rumasa banks currently in state ownership (which have more than 1,000 branches), and for taking up the public debt issue which the government plans to fill the huge gap in Rumasa's books. This is put at up to Pta 400bn.

While the string of bank collapses has come to a halt, and agreement has finally been reached on a complex financial restructuring at the country's biggest private industrial group, Explosivos Rio Tinto, fresh burdens loom for the banking system: Rumasa, the government's $6bn plan for streamlining lame duck industries, and above all the historically high public sector deficit, which business circles fear will be more than the 5.5 per cent of GNP projected by the government.

The combined compulsory deposit requirements and compulsory credit allocations imposed in commercial banks have been raised to a point where they cover half their total deposits, and the base on which they are calculated has been extended to take in new quasi-money instruments. These instruments have been part of the raison d'etre of the more dynamic foreign banks which have come into Spain in the past four or five years.

Sr Miguel Boyer, the finance minister, has said he favours dismantling the compulsory quotas "in the future, when there is no crisis." But this presupposes success in bringing down the public sector's financing needs.

Officials now considering requests from seven overseas banks.

Doors open to foreign institutions

THE Socialist-Social Democrat coalition of Sr Mario Soares has finally done what other governments had put off.

In February legislation was enacted permitting new banks, foreign or domestic, to open in Portugal after nine years in which eight nationalised banks and three old-established foreigners have enjoyed a closed shop.

So far, eight institutions have presented formal requests to be allowed to open up in Portugal. Seven are foreign — Chase Manhattan Bank, Citibank, Manufacturers Hanover Trust, Banque Nationale de Paris, Paribas, Societe Generale de Banque (Belgium) and the Bank of Credit and Commerce International.

This is more than the four or five foreign banks which the authorities deem an acceptable number for the first stage of liberalisation. No one at the moment would care to guess who will be told yes and who will be held over for another occasion. The example of Spain, whose liberalisation attracted a spate of foreign banks, looms large in the minds of senior financial officials.

According to the new law, the Bank of Portugal has 120 days from the date of application to consider requests and report to the Prime Minister and Finance Minister—who will sign authorisations.

The first applications began in March. Would-be foreign branch openers have been struggling to provide notarised authenticated translations of their directors biographies, shareholder lists, authorisations, (if applicable) from the authorities of their countries of origin to open foreign branches and other required information. It will be July at least before any authorisations come through and probably several months thereafter before the first new foreign banks in Lisbon open their doors to customers.

Several other foreign banks are interested in principle in a branch in Portugal, but at taking their time before laying down an original capital of Es 1.5bn—$11m—and are watching how the competition fares.

Meanwhile, a Portuguese institution with strong foreign connections, the Sociedade Portuguesa de Investimento (SPI), has also applied for permission—in its case to become an investment bank. Launched in October 1981 under a law allowing para-banking concerns such as investment companies, leasing companies and regional development companies to be formed. SPI has about 100 small Portuguese shareholders and a strong showing of international bodies—the International Finance Corporation, Credit Lyonnais, Union de Banque Suisse, DEG (Deutsche Entwicklung Geselleschaff) and Britain's Investment for Industry among its partners.

Its first two years of operation allowed SPI—and other investment companies that followed suit, MDM (Morgan Deutsche Mello) and Eurofinanceira (Banque Nationale de Paris and the Banco de Fomento Nacional)—to fill notable gaps in Portuguese financing.

Portugal

DIANA SMITH

in Lisbon

Demand for the services of investment and leasing companies, which have foreign shareholders, has been buoyant. Their performance has been dynamic too. The Portuguese have traditionally been slow in repayment and this has plagued leasing companies. Now customers are being educated into paying faster.

These companies' strong performance is an encouraging sign that given efficient and disciplined tools the Portuguese market can diversify and modernise. A newer entry on the scene, concentrating on trading in bonds and other paper, has added more diversification. This month the Companhia de Investimento e Servicos Financeiros, where Lloyds and Sumitomo hold shares, makes its official debut.

The nationalised banks are hamstrung by tough credit ceilings, continued overmanning and slow mechanisation. Their future is under study and will be determined when the second stage of the Soares Government economic recovery programme comes in to force later this year.

Officials hint at several mergers—a prospect that dismays stronger banks who dread absorbing weaker vessels and thousands of workers. But denationalisation is not possible under present laws and mergers seem the only way of streamlining the system. There is an innate tension between younger or more energetic managers in the nationalised banks, who try to run operations like competitive bankers and a large doggedly-bureaucratic layer which resists the notion of modern, diversified banking.

Portugal is struggling to shake off four decades of financial overcentralisation and backwardness and one decade of the aftermath of a brief attempt to enforce state capitalism on a Western nation. It takes time to cure conditioned reflexes caused by such strictures.

The seven Comecon countries improved their hard currency trade balances from $8bn in 1982 to $9.38bn in 1983

Shrinking indebtedness to West

Eastern Europe

DAVID BUCHAN

IT IS, by now, a commonplace that generally the Soviet Union and Eastern Europe appear better lending risks than they did one or two years ago.

This improvement is both relative to the huge pile of debt in Latin America and elsewhere in the world and absolute, in the sense that the Soviet Union and its six East European partners in Comecon have further reduced their indebtedness to the West.

Net hard currency debt of these seven countries fell a further $6.6bn last year, to a level of $64.5bn, according to the Vienna Institute for Comparative Economic Studies.

Half of this reduction is simply the book-keeping effect of dollar appreciation, making the non-dollar denominated liabilities of Comecon appear less in dollar terms.

But the other half of the improvement is real—the result of the seven Comecon countries improving their hard currency trade balances from $8bn in 1982 to $9.38bn in 1983 and a comparable improvement in current account surplus from $4.5bn to $6.7bn.

Selective lending to the region has now resumed, with the Soviet Union, Hungary, East Germany, Czechoslovakia all getting some new medium-term Western finance in the past year. The difference this time around is that the caution is more on the side of Eastern borrowers who had their fingers burnt in the 1981-82 credit crunch than of Western lenders who would like to exploit the improvement in Eastern external finances.

This is particularly true of the Soviet Union and its two closest allies, Bulgaria and Czechoslovakia.

With the lowest debt ratios in the region, this conservative trio is in the happy position of being able to let domestic developments determine foreign borrowing, rather than the other way around.

Hungary and East Germany also want to keep a lid on their debt exposure to the West, but they both have relatively high levels of debt to service and have been able to borrow more to cover this—Hungary through drawing on International Monetary Fund and World Bank resources (which, in turn, has reopened its commercial credit channels) and East Germany through the financial spin-off from its political relationship with West Germany.

Polish logjam

Even the three casualty cases, Poland, Romania and Yugoslavia, are now in slightly better shape. Poland is still in a logjam with Western governments over the nearly $17bn (over half total Polish debt) which it owes them.

But its relations with Western commercial banks have been put on a nearly normal basis by the recent agreement to reschedule all payments due on Poland's unguaranteed debt until 1988, and to grant Poland short-term credit facilities this year and next up to $700m.

Romania has avoided a further rescheduling of its debts this year. Its external position was evidently comfortable enough this year for it to forgo drawing on a final $285m tranche of its IMF credit, because Bucharest did not want to bother to meet further IMF policy conditions.

Yugoslavia is still struggling with its large debt burden in annual rescheduling exercises (the 1984 one has been completed). It is proving slower to adjust than the Comecon countries, partly because it has a weaker, more decentralised government and banking system than they do. But precisely for the reason that it is non-aligned and outside Comecon, its creditors have gone to greater lengths to accommodate Yugoslavia, with special Western government aid in 1983 and a second IMF standby credit in 1984.

Obviously, Western lending to the East does not take place in a vacuum. It is closely related to the pace of East-West trade, which staged a further recovery last year from the trough of 1981. Whether the improvement can be sustained turns on several key factors, among them the export earnings from sales of Soviet energy and East European manufactured goods to the West.

Soviet oil exports

The Soviet Union may have hit a plateau in its energy exports which account for nearly 80 per cent of total export earnings. The West European market for its gas is, for the present, saturated, while domestic output of oil is stagnating and Soviet oil exports only sustained by increased amounts of re-sold Middle East oil taken in barter for Soviet arms.

The East Europeans, for their part, are likely to find that their sharp cutbacks in investment during 1981-82 will damage future export competivity by postponing needed modernisation of industry. In these circumstances, the only way the East can buy more Western goods is on Western credit.

NET DEBT IN $ BN

	1982 End	1983 End
Bulgaria	1.9	1.5
Czechoslovakia	3.4	3.0
East Germany	10.4	9.3
Hungary	6.8	6.2
Poland	25.0	25.0
Romania	9.4	8.0
Soviet Union*	10.6	7.9

*** Excludes Comecon bank debt**

Source: Vienna Institute for Comparative Economic Studies.

But the new financial conservatism of Comecon planners towards the West is likely to get a powerful political boost next month when Soviet bloc party leaders hold their first summit meeting on Comecon business for 13 years.

This long-overdue meeting can be expected to produce a call for greater economic integration inside Comecon, couched as a political riposte to recent Western sanctions and current Western attempts to tighten controls on militarily-sensitive exports.

Better trading arrangements inside Comecon would probably stem for a time at least the growth in East-West trade. This, however, begs the question of whether better trading arrangements are possible without the creation of a proper multilateral currency in Comecon to supplant the "transferable rouble" (which despite its name is only a unit of account in bilateral barter deals and is not a transferable means of settlement).

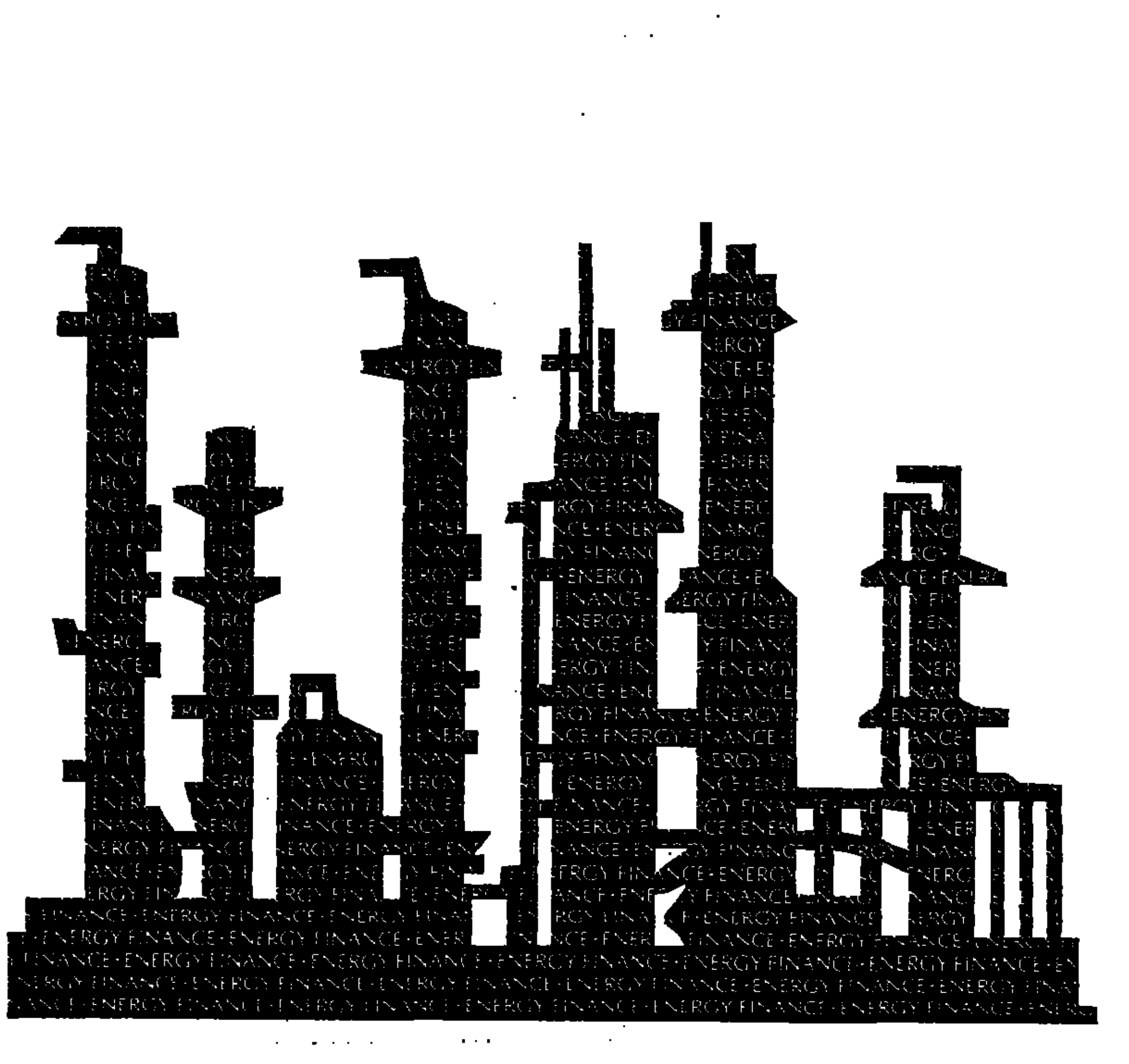
In the present absence of a multilateral currency, the Western convertible currencies which Comecon has acquired through trading with or borrowing from the West have proved increasingly useful. Comecon countries happily accept hard currency as payment in their dealings with each other, and some countries do very well out of this.

Hungary, for instance, offsets its hard currency trade deficit with the West with the dollars it earns from the Soviet Union for food. It would be much worse off, should the Comecon summit decide that capitalist currencies were inappropriate means of settlement between socialist partners.

It is possible that the summit may give more of a role to the two Comecon banks—the International Bank for Economic Co-operation (the East's answer to the IMF) and the International Investment Bank (its version of the World Bank). But it is unlikely this will involve more borrowing in the West by these banks, which in the past four years have steadily reduced their net debt to Western commercial banks, to $3.55bn last year, according to estimates by Wharton Econometrics.

The Soviet Union, which dominates the two Moscow-based Comecon banks, is evidently no longer interested in using the institutions as additional means to run up Western debt.

In the probable absence of Comecon financial reform, any banking changes are likely to be at the national level. So far the only country contemplating this is Hungary, where the National Bank is trying to create more of a separation between its central banking and credit banking functions, with the aim of stimulating some competition in commercial lending.



Internal banking arrangements in some of the leading Middle Eastern countries are undergoing rapid development towards advanced Western methods, nowhere more so than in Turkey, Saudi Arabia and Egypt. FT correspondents highlight the trend

Burden of non-performing loans

Turkey

DAVID BARCHARD
In Istanbul

WHEN A senior Turkish Government official recently told a meeting of bankers in Istanbul that about 9 per cent of loans by commercial banks were non-performing loans, his words went almost unreported.

Turkish businessmen, bankers and financial journalists believe the real figure to be much higher. "Our bank has loans outstanding of about 25 to 30 per cent," says the owner of one Istanbul-based bank. But he is quick to add: "I wouldn't call them non-performing in the usual sense. Only about 5 per cent of our loans will never perform."

It seems to be a question of definition. But by Western standards there is no doubt that because of the effects of three years of monetary policies along IMF-approved lines, much of industry is heavily indebted to the banking system and unable even to keep up with its interest payments.

A few months ago bank managers were unwilling to discuss the problem openly. Today they will admit that it exists but suggest that understanding and patience may be sufficient to get the Turkish banking system off the rocks.

Since the beginning of 1983, five Turkish commercial banks have had to close their doors. Two more are known to be in serious danger.

The rest of the banking world is struggling to avoid a similar fate. Turkish banking practices developed in a period when conditions were cosy for both borrowers and banks, with high profits coming from transaction charges combined with interest rates that lagged below inflation.

Banks vied with each other to win customers by building more and more branches. Their advertising in the campaign for customers for their expensive and inefficient services dominated the television screens every night.

Since 1980 the picture has changed drastically. Mr Turgut Ozal, the new Prime Minister, has imposed interest rate liberalisation on an unwilling banking community. Competitive interest rates for commercial lending and borrowing, long resisted, finally arrived in early May. There was a span of no less than 12 per cent between the rates offered.

The banks offering money on the cheapest terms—notably Interbank of Istanbul—were conspicuously the most profitable and efficient operators, while the most expensive terms are offered by banks whose profitability is doubtful.

Even so, the net cost to borrowers, when commissions and other charges are included, is still at least 55 per cent and probably often more than 60 per cent. Furthermore, though the banks all deny it, it is common knowledge in Turkey that a borrower may often have to leave up to 20 per cent of his loan in the hands of the bank as "blockage" against default.

For depositors the conditions are better. Mr Ozal has pledged to keep real interest rates above inflation. Sight deposits attract 5 per cent interest, while one-month money earns 35 per cent and three months money 52 per cent. Six months money earns 48 per cent and one-year money 45 per cent. Interest rates for deposits are still set by the Central Bank.

At the Central Bank, Mr Yavuz Canevi, a key Ozal lieutenant, is presiding over major changes of the system in the hope that the IMF will forestall possible crashes. Last December the foreign exchange régime was liberalised.

Central supervision

Turks cannot carry foreign currency and buy large amounts of it without restriction. Commercial banks now handle the majority of foreign exchange transactions and the role of the Central Bank is largely confined to supervision and policing.

Mr Canevi has ordered the improvement of the banks' reporting system so that changes can be monitored quickly. He is also trying to start an effective interbank lending system. "The Central Bank has to lead the way in this," he says.

These and other administrative changes may eventually improve matters. But so far no one has been able to propose any solution to the problem of the outstanding non-performing loans in the banks' portfolios.

Because of the umbilical links between many of the commercial banks, the fortunes of ailing industrial groups could jeopardise even efficient banks. Last year a banking reform law was passed which tightened up lending requirements and extended the responsibilities of bank directors. But it does not appear to be cutting the banks free from industrial groups, at least in the short run.

State involvement in banking is another problem. Turkish banks are led by two giants—the Ziraat Bankasi (agricultural bank) and the Turkiyeis Bankasi. Critics say the efficiency of both could be improved. But they—and the other state banks—account for 45 per cent of commercial deposits and have the attraction of unsinkability.

The insolvencies of the past 18 months have further expanded the role of the state banks.

Mr Ozal is keen to cut this back. The activities of the Ziraat Bankasi which showed a clear tendency to become an industrial rather than an agricultural bank during the final months of the Ulusu government, have been sharply clawed back since Mr Ozal took over.

Although steady improvements may have begun, no one is yet willing to suggest ways in which Turkish banking can solve these or its other main problems. For the present, the struggle to keep afloat takes priority.

Vast amount of unbanked liquidity

AFTER YEARS of heady growth and unbelievably easy profits, Saudi Arabian banking is beginning to come of age and to feel the weight of responsibility which that entails. If they live up to official expectations, the Kingdom's 11 commercial banks will play a key role in the next phase of its economic development.

Already in the most recent fiscal year growth in assets and deposits—which only two years ago exceeded 20 per cent—has slowed to 3.8 per cent and 5.3 per cent respectively. Most banks' profits actually fell in 1983.

Saudi Arabia

ANDREW GOWERS

Apart from the obvious effect of the general slowdown in the Kingdom's economic growth, the main reason cited by the banks for this turnround is the increasing cost of doing business.

For example, as banks compete to draw in the still huge amounts of unbanked liquidity in the economy, they are having to expand their branch networks at a breakneck pace. The total of bank branches is still growing at an annual rate of more than 20 per cent and it will not be long before it tops 500, against less than 200 in 1980.

At the same time, banks are having to spend more on technological improvements (Saudi-British Bank was the first to have a Kingdomwide computer link-up late last year and the others are not far behind) and on training staff and introducing new services. These include Saudi riyal travellers' cheques (introduced last year and off to a slow start), 24-hour cash dispensers and an increased use of personal cheques and credit cards.

Competition will, if anything, be sharpened by the imminent arrival on the secene of the Kingdom's largest money-changer, the Al Rajhi Company for Currency Exchange and Commerce, as an Islamic bank.

As administrative outlays rise the cost of funds is also steadily growing. Increasingly sophisticated individual customers and recently more cash-conscious Saudi companies are no longer as happy as they were to leave their money sitting in easy-to-service, interest-free current accounts.

A major source of Saudi banks' easy profits — the ability to turn interest-free liabilities into assets in Bahrain or elsewhere carrying a return of 10 per cent and more — is thus being gradually removed.

But the most important change under way for Saudi banks is undoubtedly their increasing involvement in the domestic economy. Hitherto this has been driven primarily by government spending, but if the authorities have their way, it will come to rely more and more on the private sector in the next few years.

According to estimates by the Finance Ministry, the banks' lending to private business increased by 18 per cent in the most recent year—a remarkable figure at a time of slow overall balance-sheet growth.

This again entails increased administrative spending as the banks refine their approaches to credit analysis, a relatively new and difficult science given the lack of reliable accounting methods in Saudi businesses.

It also means greater exposure to risk to a point which worries some bankers associated with particularly hard-hit sectors, such as construction.

Saudi banks are also being actively encouraged by the Saudi Arabian Monetary Agency (SAMA), the Kingdom's central bank, to take a leading role in the growing Saudi riyal syndicated loan market, which was dominated until recently by the offshore banking units in Bahrain.

Last year, as part of a policy to curb internationalisation of the rival SAMA decreed that foreign banks could not participate in riyal syndications without prior permission, a move which has greatly reduced the involvement of the OBUs.

SR 973m credit

The effect of this was already felt in two major riyal syndications for Saudi public corporations a SR 686m loan for Saudi Basic Industries Corporation and a SR 973m credit for the national airline Saudia. It will no doubt continue as new business flows in over the next year or so from SABIC and Petromin, the State oil marketing company.

Anticipated involvement by the banks in the Kingdom's future economic development does not stop at short and medium-term lending. Since last February they have been taking part in a monetary experiment by SAMA involving the launch of the central bank's first financial instrument.

Every week, SAMA issues a tender for 91-day deposits of up to SR 400m, a practice which officials describe as a first step towards creating a range of financial instruments in the Kingdom and an embryonic tool to mop up excess liquidity.

In due course the banks are also likely to have a role to play in long-term lending and in the provision of private equity capital for industry.

A frequent refrain from businessmen in the Kingdom is the need for a more sophisticated financial system, including an officially-sanctioned stock market to replace the present somewhat haphazzard system of unofficial share-trading.

Thus any eventual official market would probably bear some resemblance to the West German or Swiss systems in which a fairly small and tightly-regulated circle of banks has the market almost to itself.

As for long-term lending, Saudi banks have hitherto been kept out of the market by the heavy involvement of state lending agencies offering interest-free credit. The commercial banks simply could not compete. One bank, the Saudi Investment Banking Corporation, founded in the 1970s by Chase Manhattan, among others, with the aim of specialising in medium and long-term lending, has to extend its charterto cover a more profitable range of activities.

But thereis little doubt that as the Saudi state scales down its free gifts — as it has promised to do from next year—the banks will be called upon in this area too.

Results of top three Saudi banks (in SRm)

Bank	Year	Net profit	Deposits	Reserves	Fixed assets	Total assets
National Commercial	1983	544	43,393	2,800	1,459	51,112
	1982	577	45,369	2,400	1,137	51,137
Riyad	1983	603	20,464	2,954	354	27,565
	1982	586	19,069	2,389	258	26,505
Saudi-American	1983	358	9,900	865	164	12,398
	1982	353	8,930	584	139	10,906

Tougher foreign currency rules

Egypt

CHARLES RICHARDS
in Cairo

A NEW Central Bank law and revised currency regulations have been introduced in Egypt to increase supervision of banking operations so as to eradicate the foreign currency black market and combat corruption.

The Central Bank law, which came into effect in April, invests the Central Bank of Egypt, the regulatory authority, with powers to impose progressive sanctions on banks breaching CBE regulations such as the domestic credit ceilings imposed last year.

In the past, the CBE had only the ultimate sanction of withdrawing a bank's licence. It was never exercised.

The CBE may now also appoint officials to take over the running of a bank board. The need to stiffen bank management is prompted by evidence that the increase in the number of banks licensed to operate in Egypt — now nearly 80 — has not been matched in all cases by higher standards of banking.

Central Bank officials have already been appointed to run two banks in Egypt, the Jammal Trust Bank SAL, branch of a Beirut-registered bank, and the Pyramids Bank, formerly Al Ahram Bank, a wholly Egyptian-owned bank.

Both are being investigated by the Socialist Prosecutor-General entrusted with corruption cases over alleged gross violations of banking regulations.

Specifically, the banks were involved last year with a money changer, Sami Ali Hassan, later blacklisted, who lost an estimated $37m borrowed from Pyramids Bank by speculating in French francs.

Pyramids Bank sought to cover $10m of this by obtaining collateral in the form of post-dated cheques issued by the Jammal Trust Bank. Two other banks, the Faisal Islamic Bank, and the Egyptian Arab African Bank, also had post-dated cheques from Jammal Trust.

Jammal Trust has refused to honour the cheques, totalling $22m, on the grounds they were forgeries signed by an unauthorised signatory who has since left the bank.

Jammal Trust's chairman, Ali Jammal, who is a Lebanese national, has been placed under house arrest under the emergency regulations after a request from the Socialist prosecutor to the Prime Minister.

The case raises questions about the use of collateral and banking practices in Egypt. Officials say the root cause is the inherent contradictions of the "own exchange" system for financing private sector imports.

Although it is illegal to exchange Egyptian pounds for freely tradeable currencies outside the banking system, importers may import without declaring the source of their hard currency.

New currency regulations introduced on March 31 are the first step in a plan to eradicate the black market and to channel the estimated $3bn a year remitted from workers abroad through legal banking channels.

At present about $1.3bn is for private sector imports (15 per cent of all imports), $400m for investment companies' needs and $400m for free zone companies. The remainder is for incidentals such as personal travel.

Officials say that because of the inelasticity of demand, three or four currency brokers can keep the black market dollar rate artificially high.

Since March 31 banks have been authorised to buy dollars at E£1.12, midway between the official rate of $1 for E£0.83 and the free market rate of $1 for E£1.23.

Private importers may in theory buy dollars at E£1.17, but private banks who have no access to Egyptian workers in other Arab countries have no sources for financing. Three banks, Misr International, Misr Romanian and El Nil, have applied to open offices in the other Arab states to increase their competitiveness in trade financing.

Private importers say that since the Big Four private sector banks cannot meet their demands they will continue to go to the black market.

Critics say a more comprehensive approach merging the E£0.83 and E£1.12 rates was needed not only for imports but also for Law 43 investment companies and free zones where the old rate still applies.

'Going local': the only sure way to win a greater market share

Bahrain

MARY FRINGS

ON MAY 1 a 10-year-old local commercial branch of Grindlays Bank plc became Grindlays Bahrain, a joint-venture national bank in which 60 per cent of the shares are held by leading Bahraini citizens, trading companies and state pension funds. Grindlays retains a minority shareholding and manages the bank under a five-year technical assistance agreement; its offshore operations are not affected.

"Going local" is the only sure way for a foreign bank to increase its share of Bahrain's highly competitive domestic market—and not only because wealthy and influential Bahraini shareholders will put business in its way. Bonds and guarantees for public sector projects are now arranged only through national banks; they also have a monopoly on local and Gulf company share issues, which have brought in fantastic windfall profits over the past few years.

Privileged

If Chartered Bank and British Bank of the Middle East (BBME) still hold a privileged position among the Big Five, it is because long-standing relationships count for a good deal in the Arab world. Chartered opened in 1920 as the Eastern Bank, and was the only banking institution in Bahrain for nearly a quarter of a century. Although BBME did not come in until 1944, it was still 13 years ahead of the first indigenous bank.

But in 1973, when Grindlays was given a licence to open a branch in its own name as compensation for losing its stake in the restructured National Bank of Bahrain (NBB), it already had a dozen competitors. A third national bank (Al-Ahli) was to join NBB and Bank of Bahrain and Kuwait (BBK) before the end of the decade.

Last year Grindlays came halfway down the list of banks outside the Big Five, including the residual local branches of international banks which have now gone offshore. Between them, these 13 banks held only 19 per cent of domestic assets and an even slimmer 12 per cent of net profits.

The total assets of the 18 domestic banks amount to only 7 per cent of those held by offshore banking units (OBUs) —$4.4bn against $60bn. But although sharply increased commercial registration fees may cut into profit margins this year, domestic business is far more lucrative.

It is so lucrative, in fact, that the Bahrain Monetary Agency (BMA) has encouraged customer-awareness of interest rate margins by requiring publication of prime lending rates. The first published rates are mainly at the 10 to 10½ per cent level, although Bank Saderat Iran goes as high as 12 per cent. This compares with a six-month deposit rate ceiling of 7½ per cent (or 8 per cent on CDs over BD 30,000).

It remains to be seen whether this initiative will lead to recriminations from customers given a lower credit rating—and to what extent the lethargy factor will prevent prime borrowers from taking advantage of higher dollar-deposit rates, given the minimal exchange risk.

Bahrain has suffered less than its neighbours from the effects of the oil glut and regional political risk. Private construction activity has remained at a high level, based on possibly exaggerated hopes of a business and tourist boom after the completion of the Saudi-Bahrain causeway at the end of 1985. Meanwhile, locally-based pan-Arab industrial projects have helped to boost NBB's guarantee and letter-of-credit business to BD 254m ($675m)—equivalent to 42 per cent of its total domestic footings and more than the contra-accounts of all its 17 competitors put together.

Results

Against this background, domestic banking assets grew by a healthy 8.8 per cent in 1983, and the only bank to lose money was Banque du Caire, which was BD42,000 in the red after provisions for bad and doubtful debts of BD183,000. This bank was one of the earliest candidates for localisation, but the project was shelved when Egypt fell from Arab favour.

Iraq's Rafidain Bank and the two Iranian banks showed nil balances (and thus no profit to repatriate) after transferring to provisions the surplus of operating income over costs. In the case of Bank Melli Iran these provisions amounted to BD1.944m ($5.2m), exceeded only by the $7.7m set aside by BBK from its gross domestic profit of $30.3m.

According to BMA statistics, 65 per cent of BBK's consolidated assets and 42 per cent of its profits relate to its OBU operation and its branch in Kuwait. NBB's Abu Dhabi branch and OBU appear to make a much smaller contribution, with 63 per cent of assets and 94 per cent of profits being credited to Bahrain. However, general manager Hassan Ali Juma explains that NBB does not treat its OBU as a separate physical unit and that in reality 30 per cent of profits were made offshore.

At home, the Big Five are gearing up for increased competition not only from Grindlays Bahrain but also from the newly-formed Bahraini-Saudi Bank, which is due to open towards the end of the year. This BD 40m ($106m) joint-venture has signed up Security Pacific International Bank as consultant and Chase banker Richard F. Stacks as first general manager. Mr Stacks recently completed four years at the head of Saudi Investment Banking Corporation (SIBC) in Riyadh.

All are stressing computerisation as the key to better customer service. BBME has also installed Automatic Teller Machines (ATM's) for 24-hour banking at its head office and five branches. BBK has established a separate office for foreign currency exchange, drafts and remittances, which challenges the Suq money-changers by staying open until 7 pm, while NBB has extended afternoon opening hours at its out-of-town branches.

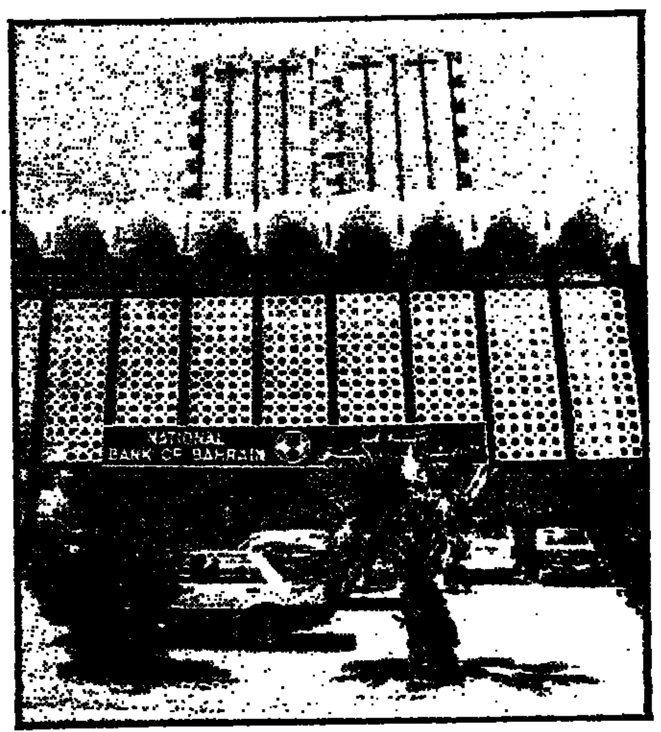
Profitability of Bahrain's "Big Five" domestic banks, 1983

(BD 1=$2.65)

Bank	Assets excl. contras	Profit after provisions	Net interest income	Other income	Operating costs	Net profit
			(as a percentage of average assets)			
	BD m	BD m	%	%	%	%
National Bank of Bahrain*	354.39	12.07	4.51	1.19	1.75	3.94
Bank of Bahrain & Kuwait*	300.75	8.53	5.22	0.40	1.61	2.99
British Bank of the ME*	90.56	1.97	4.08	1.61	3.36	2.14
Al-Ahli Commercial Bank	136.74	2.39	3.49	0.44	1.64	1.89
Chartered Bank*	147.58	1.48	2.41	0.70	1.98	1.02

* Excluding OBUs or overseas branches.

Table compiled by Mary Frings on the basis of BMA statistics.



Left: a section of the busy foreign exchange dealing room of the Gulf International Bank in Manama, Bahrain. Above: the headquarters of the National Bank of Bahrain, the most profitable of the island-state's "Big Five" domestic banks

Mergers on the horizon

United Arab Emirates

KATHY EVANS

IN THE last six months the United Arab Emirates' banking scene has undergone some strain with the demise of the Dubai-based Union Bank of the Middle East.

The repercussions of the Government bail-out last December have been felt throughout the banking system, and in particular among the local banks.

The Union Bank's difficulties began originally with a directive from the central bank which required loans given to directors to be no more than 5 per cent individually and 25 per cent for the whole board of the bank's capital.

The requirement, coupled with a deadline, aroused criticism from prominent bankers and merchants. They pointed out that in order to meet the central bank's requirements, the assets of directors could face being sold off at bargain prices. Such a move would depress the already recession-ridden economy.

In the case of the Union Bank, its former chairman Mr Abdul Wahab Galadari, has suffered a seizure of all his assets, including those overseas. His local companies are now being sold off to other rival merchants in the emirate, a fact which he much resents. Peat Marwick Mitchell has been called in to act as Receivers under the orders of the temporary board of the bank, which was appointed by the Dubai Government.

All of this is happening, despite the fact the UAE still has no code of bankruptcy.

The rapid demise of one of Dubai's most prominent businessmen and the bank that he chaired, once the third largest in the country, has shaken confidence, despite the rapid Government support which followed. Other, comparable banks, were also found to be in similar difficulties over their directors' loans, but unlike Union Bank, they have been given time to restructure the portfolios.

The UAE banking system has also been affected by the slowdown in payments by the federal and local government departments.

Prospects

Many of the local banks have found themselves keeping afloat local companies and contractors which are awaiting payment from the Government. Now a number have had to make larger provisions for bad debts, and this has trimmed balance-sheets back severely.

The country's largest bank was no exception. The National Bank of Abu Dhabi recorded a near-50 per cent cutback in profits in 1983, largely because of debt provision. Profits fell from Dh 198m in 1982 to Dh 104m last year.

The bank's overall balance-sheet fell from Dh 23.4bn to Dh 22.7bn. Cash balances went up from Dh 8.5bn to Dh 9.26bn while advances went up by a marginal 12 per cent to reach Dh 6.79bn.

The greatest percentage increase was recorded by the bank's Washington subsidiary, the Abu Dhabi International Bank. Even customers' deposits fell during 1983.

Naturally, the slack oil market has also had its impact on the banks, and development budgets have been severely trimmed in the Emirates. In the past two years, the country has had to transform from boom conditions to a sluggish and difficult market. The banking system is doubly hit by the sheer number of banks and branches in the country.

The next 12 months should, hopefully, see some progress on the merger plans talked about by the Finance Ministry.

After dire troubles on the unofficial stock market . . .

Banks help to provide solutions

Kuwait

KATHY EVANS

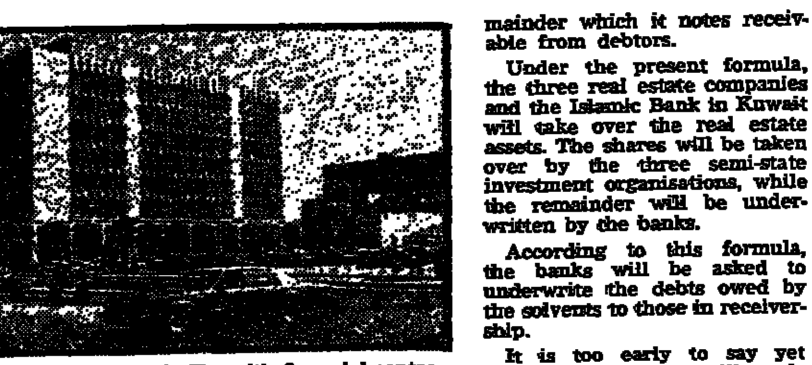
KUWAIT'S economic scene in 1983 and the current year continues to be marred by the disaster known locally as "manakh." When clients fail to pay up—or, alternatively, don't order—all is explained in Kuwait by the Manakh.

In the last month, however, a new optimistic mood prevails. Hopes are high that, finally, the country may be seeing the light at the end of the tunnel, and that a solution is near on the post-dated cheques problem.

The Souk Al Manakh disaster dates back to September, 1982, when a crash on the Gulf stock exchange brought to light a trail of post-dated cheques, written as payment in forward share deals.

The mountain of cheques totalled a staggering $94bn. Untangling who-owes-who — and how much can be paid—has obsessed most of the country's financial experts for more than 18 months now.

It has already cost one minister his job (the former Finance Minister, Abdul Latief al Hamad). The cheques problems has slurred some of the best families, government officials and politicians in Kuwait. The banks have, to a large extent, emerged unscathed, largely because of early protective measures taken by the Central Bank. The monetary authorities forbade the banks to lend for speculative purposes.



A new mood of optimism prevails in Kuwait's financial centre.

Even though the banks are not directly involved (in most cases, anyway) they have inevitably been affected by the stream of people being steadily referred to the Government receiver. So far, nearly 300 people have been identified as being unable to pay their debts, even at knock-down prices.

The catastrophe of the Souk Al Manakh was also a blow to confidence in Kuwait, and the economy has to some extent been marked by stagnancy since the crisis. The general gloom, coupled with the seeming inability of the Government to solve the problem, has also hit stock exchange prices, both on the official exchange, as well as the Gulf markets.

As shares are a principal form of collateral in Kuwait, the decline in prices became worrying to local bankers earlier this year. Prices calculated at the free market index showed a 40 per cent difference to the official Government support level.

The downward trend was particularly noticeable in the industrial companies, many of which were burdened by post-dated cheques themselves.

Given that about 25 to 50 per cent of Kuwait's total bank credit of KD 4.7bn was backed by official shares, albeit with 200 per cent cover, the concern was understandable.

But in mid-April a surge became apparent on the market, largely because of local expectation of a forthcoming solution to the problem from the Government.

The solution will break down the assets of those already referred to the Government receiver, in three ways — real estate and official market shares which constitute 33 per cent; shares from the Souk Al Manakh companies and Kuwaiti closed companies which form 22 per cent of the assets; and the remainder which it notes receivable from debtors.

Under the present formula, the three real estate companies and the Islamic Bank in Kuwait will take over the real estate assets. The shares will be taken over by the three semi-state investment organisations, while the remainder will be underwritten by the banks.

According to this formula, the banks will be asked to underwrite the debts owed by the solvents to those in receivership.

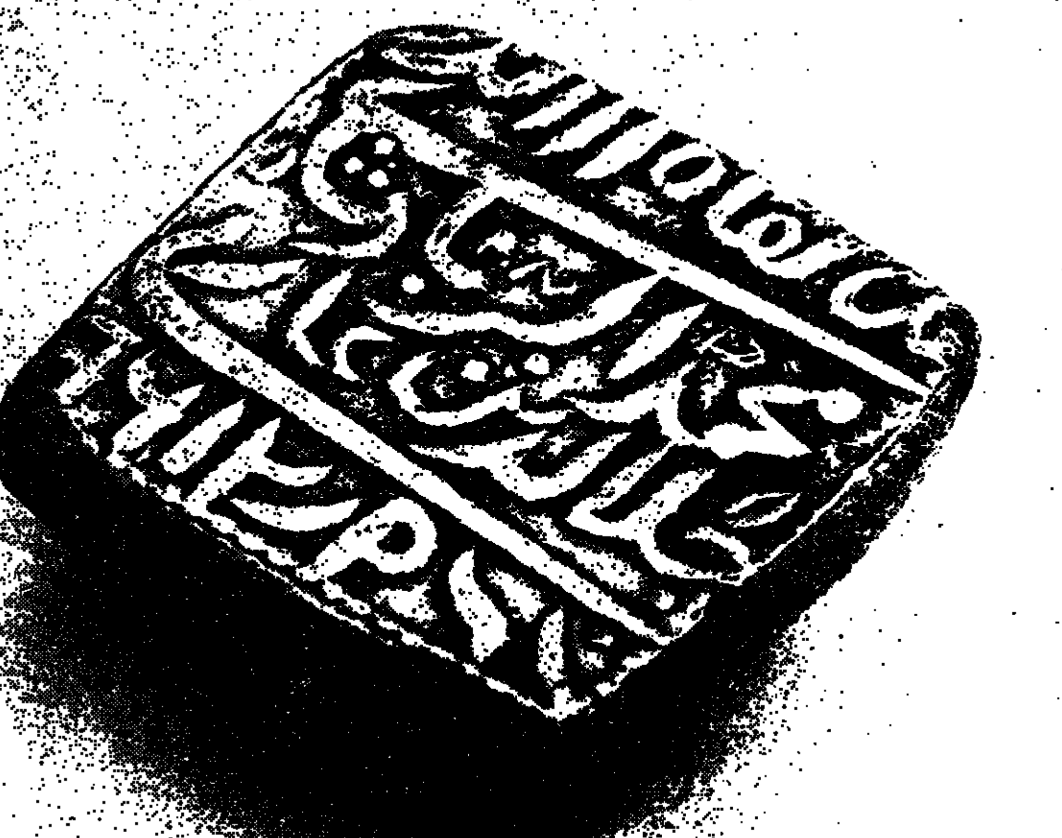
It is too early to say yet whether the scheme will work, but what is certain is that KD 510m will be pumped into the system which could go a long way in providing the liquidity necessary for payments to begin.

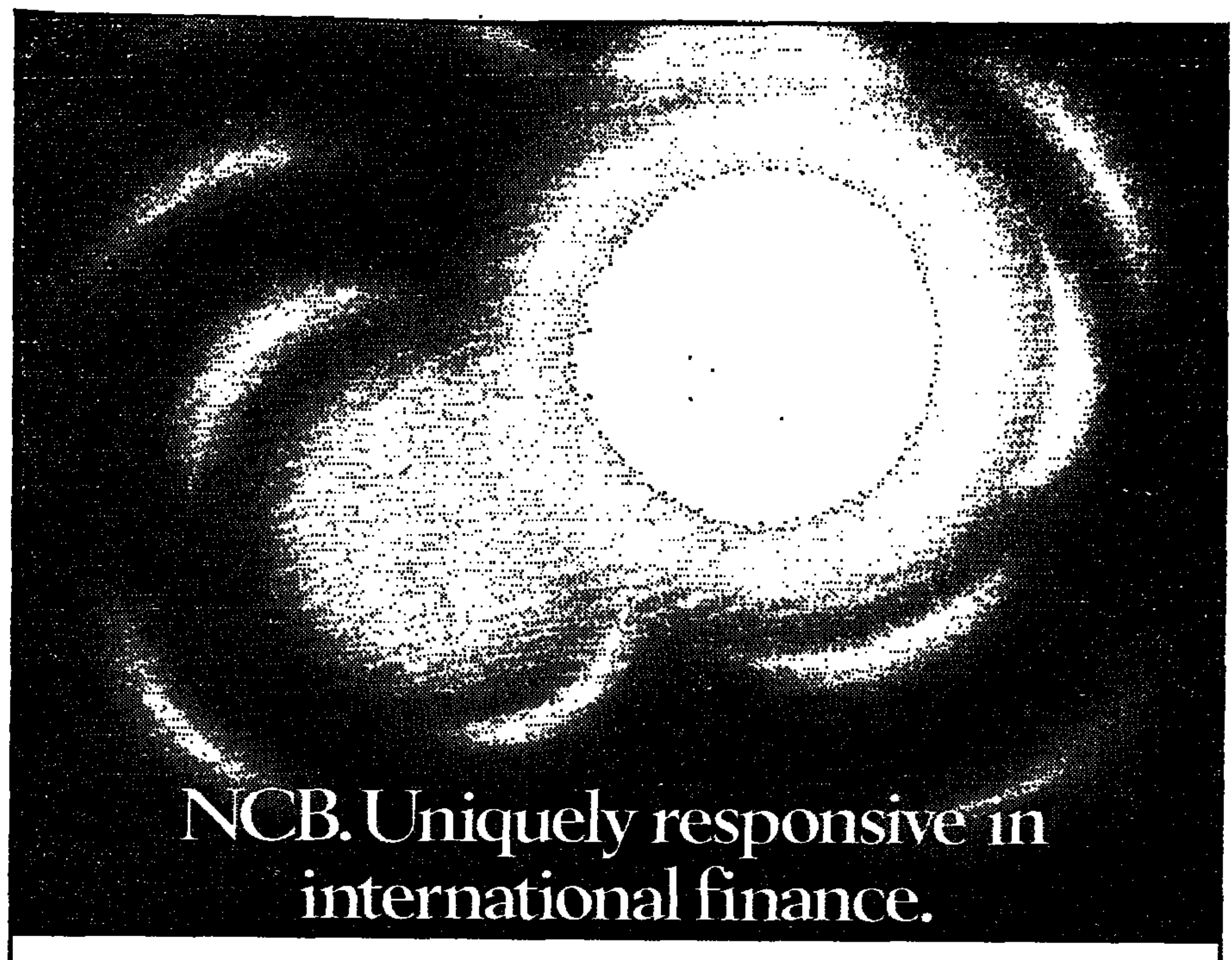
At the moment, the desire of Kuwaitis to believe in the formula's success may prove a vital ingredient in restoring confidence.

Conference on World Banking

THE Financial Times is organising a conference on the theme "World Banking in 1985" — the event will take place at the Hotel Inter-continental, London, in December.

Further details are available from the FT Conference Organisation, at Minster House, Arthur Street, London EC4. Tel: 01-621 1355.





Here and on the following three pages FT correspondents highlight domestic banking developments in the Asia/Pacific region

Big Four expect upturn

SINGAPORE'S strong-performing financial and business services sector grew by 16.3 per cent in 1983, faster than 1982s 12.2 per cent and second only to the construction sector, whose borrowings helped fuel the expansion.

The two sectors together contributed more than half of Singapore's better-than-expected 7.9 per cent growth last year in gross domestic product and, to judge by the most recent figures, financial and business services will again be a major source of growth this year.

Singapore

CHRIS SHERWELL

January's figures suggest the growth is continuing, and Singapore's "Big Four" local banks plainly hope to report better 1984 figures than they managed in 1983.

Last year, for the second year in a row, the figures were rather lacklustre, although 1981's huge 47 per cent average growth in profits, with which comparison is inevitably made, was helped by high interest rates and inflation rates.

United Overseas Bank, widely regarded as the most aggressive of the banks, produced the strongest results and confirmed its position as the largest local bank in terms of attributable earnings.

However, while group net profits for the year to December climbed 9.6 per cent to S$153.8m, they included an extraordinary after-tax profit of S$15.8m on the sale of its shares in the International Bank of Singapore (IBS). Without this, profits would have been down 1.7 per cent on 1982.

The same is true of two of the other major banks, DBS Bank and Oversea-Chinese Banking Corporation. They also sold out their IBS stake to the fourth major, Overseas Union Bank, the first local bank takeover in years.

DBS Bank, the largest local bank in terms of assets, suffered a 10.7 per cent drop in net profit if the sale was excluded from the figures, but a 1.6 per cent gain if it is included. OCBC, the most conservative of the four, explicitly chose not to include the amount in its figures and suffered a 7 per cent decline in group net profit to S$114.07m.

As for OUB, which paid S$116.6m for IBS, it reported a 0.6 per cent increase in group net profits to S$52.1m. IBS itself, meanwhile, became the first local bank to go into the red when it reported an S$18.1m loss.

The banks have had to live not only with tighter margins in the past two years but also with the need to make increased provisions, especially against loans overseas. This is in line with the cautious and prudent policy on these matters of the Monetary Authority of Singapore, the equivalent of the central bank.

Detailed figures on these provisions are not available, although DBS Bank's annual report says that an amount of S$93.5m was set aside "as provision for possible loan losses and diminution in value of other assets." This, it says, is an increase of S$41.9m over the 1982 amount.

The local banks also continue to face tough competition from the Post Office Savings Bank (POSB), whose strength in the market for deposits has always been something of an irritant because it has a special tax-exempt status as a statutory body, has over 120 branches (more than any commercial bank) and operates a large network of automated teller machines.

Although the Government decided last year to reverse its earlier decision to convert POSB into a full commercial bank, POSB did extend its services to include the provision of current account facilities and the issue of travellers' cheques.

Controversial

The bank may even be allowed to offer interest on its current accounts, but this has yet to be decided and would certainly be controversial if it occurred.

POSB has meanwhile faced increased competition itself for savings from higher interest-bearing offshore and finance company accounts. Deposits in bank "autosave" accounts, offering both liquidity and interest on daily balances, also grew rapidly last year.

The next domestic development will be further progress towards the cashless society. A big step was taken last month with the establishment of an interbank giro system, adding an electronic funds transfer system to the automated clearing house set up 18 months ago.

The new system is expected to reduce the cash and cheques in circulation by allowing salary payments and debit transactions to be made automatically. An electronic funds transfer at point of sale (EFT/POS) system is also being considered by local institutions.

On the regulatory side, Singapore's banks are having to adjust to important changes in lending rules following the passage of amendments to the Banking Act earlier this year.

The changes tighten official controls over the banking community's ability to grant loans and credit to individuals or companies, and are designed to prevent banks becoming too vulnerable by ensuring that credit facilities are spread over a large number of persons in diversified businesses.

The key provision says that a bank shall not grant credit to any person or corporation in excess of 30 per cent of the bank's capital funds—half the previous limit.

A bank is also forbidden from granting "substantial" loans which exceed 50 per cent of its total credit facilities. A substantial loan is 15 per cent of a bank's capital funds.

Worries that the regulations might apply to foreign currency or offshore loans were eventually dispelled by the Monetary Authority, which also said that banks which already exceeded the specified limits would have two years to comply.

Changes in regulated regime

SINCE the war ended in 1945 the security of the Japanese banking system has never been in question. Indeed, it was largely because the domestic scene had become so predictable, though still profitable, that Japanese banks, always alive to the needs of their corporate clients, began their by now well-travelled Odyssey into international waters.

Now, however, glimmerings of change are to be seen within Japan.

Japan

JUREK MARTIN
in Tokyo

In part, these changes have been brought about by the natural growth to maturity of the Japanese economy and the financial system which underpins it. In part they are the result of external pressure, mainly in the shape of specific requests for reform and progress towards a more open market, delivered—with increasing frequency over the past nine months—by the U.S. Government.

Together, these factors are starting to punch a few holes in a tightly regulated financial régime famous for its ability to confine financial institutions (be they commercial banks, trust banks, credit banks, securities houses, and foreign participants) into watertight compartments.

No matter what reforms it engages of its own volition or are impressed on it from the outside, it is apparent that the Japanese Government, specifically the all-powerful Ministry of Finance, will go to great lengths to ensure that the fundamental security blanket remains in place.

Yet, in looking ahead, it is not impossible to imagine some restructuring of the financial system as the barriers between sectors break down and competition becomes more widespread.

Such change may not be on a par with that affecting troubled industries (for example, petrochemicals) in recent years, but, by the previously inert standards of the domestic financial scene, the impact may appear substantial.

In fact, the more efficient Japanese financial institutions are not averse to the challenge of a more fluid era. The major "city" banks have now come to recognise that their neglect of the consumer finance sector—which made possible the rise of the sometimes notorious "sarakin" money-lending firms—was, in hindsight, a mistake.

Now, the Japanese consumer, who once had to be satisfied with a diet of niggardly interest and free tissue paper, is being wooed by the banks with a variety of new investment devices and loan facilities.

Japan remains still, perhaps uniquely for an industrialised country of its power, a society which prefers cash settlement and rewards industrious savers, but not as exclusively as it once did. The national savings rate has now slipped to under 20 per cent and the concept of properly managed personal debt is no longer quite so alien as the age of affluence dawns.

More international attention, however, has been devoted to the structural rigidities and demarcation lines of the domestic financial system. Probably the most significant sectoral development of the past year has been the Ministry of Finance's concession of this spring that foreign banks should be allowed to handle Japanese pension fund business in competition with the established Japanese trust banks (arguably the weakest link in the existing financial chain).

This barrier will probably be lowered in practice, now that the principle has been resolved, next year.

Because the Ministry of Finance is as capable as it is, it did not throw out the baby with the bathwater. It specifically excluded from trust banking the proposed combinations of joint ventures between U.S. banks and Japanese securities houses, which, the Ministry felt, were too big an outright threat to the demarcation between banking and stockbroking.

But it was also significant that, earlier this year, the Ministry allowed Vickers da Costa, the London stockbroker, to retain its Tokyo dealing licence in spite of its takeover by Citicorp, holding company parent of the U.S. banking giant.

Again, in the conditions it laid down, the Ministry went to great lengths to avoid setting a precedent which other securities firms owned by banks could follow. Nonetheless, even to sanction a potential blurring of the old divisions is probably something that would not have been entertained a few years ago.

However, there are some institutional reforms which remain totally below the horizon. In spite of intermittent official insistence that the idea is still under consideration, the proposed Tokyo offshore banking facility (which could have been modelled along London lines) seems a long way from fruition.

The Japanese authorities, convinced of the virtue of controls, also remain profoundly adverse to such concepts as futures markets—though they may, intriguingly, be about to drop their previous objections to foreign exchange broking.

Since this is Japan, it must be remembered that all things are relative. Few countries possess banking systems with access to as much technological skill as Japan's yet even the basic banking technology in use world-wide is unevenly applied here.

Automatic cash points, for example, are kept open for only a little longer than regular banking hours (the banks blame Government regulations but do not appear to be pressing very hard for repeal) while the basic over-the-counter service provided to bank customers is a monument to manual labour.

On the other hand, bank cards are used increasingly for direct commercial purchases and credit card ownership is burgeoning, again with the banks in the lead.

In sum, the Japanese banking system is changing. The essential question now, and one which both the Japanese and foreign governments will be asking for some time, is how fast it will change.

MAJOR BANKS

	Assets Ybn	Profits Ybn
Dai-Ichi Kangyo Bank	19,337	83.4
Fuji Bank	17,664	136.5
Sumitomo Bank	17,040	157.2
Mitsubishi Bank	16,595	95.2
Sanwa Bank	16,094	92.9
Industrial Bank of Japan	14,522	103.3
Mitsui Bank	12,751	67.1
Tokai Bank	11,875	55.9
Long Term Credit Bank of Japan	11,753	64.0
Bank of Tokyo	10,894	50.5
Taiyo Kobe Bank	10,093	48
Daiwa Bank	9,309	36.1
Kyowa Bank	6,308	29.8
Saitama Bank	6,064	30.5
Hokkaido Takushoku Bank	4,625	24.3

† pre-tax recurring profits
Source:
Japan Economic Journal

Extensive shake-up to meet national needs

IN THE most extensive shake-up since the 1949 Communist Revolution, China's banking system is being completely restructured to manage the greater complexity and range of the country's international financial transactions and to meet the needs of its rapid economic modernisation.

Under reform plans announced late last year, a separate central bank with wide-ranging powers, has been established, a newly-structured industrial and commercial bank has been formed, and a new national banking law is being drafted.

China

MARY BAKER
in Peking

At the heart of the changes is the formation of the People's Bank of China as the central bank. Its charter requires it to act as the State Treasury, control the money supply, regulate all monetary organisations and formulate monetary policy for the State Council or Cabinet.

The People's Bank's previous functions of deposit-taking, lending and cash management have been transferred to the new Industrial and Commercial Bank.

In the past the People's Bank operated as one of a number of largely-independent and poorly co-ordinated banks within the Chinese financial system. One of its key functions now is to regulate all the other banks—the Agricultural Bank, the People's Construction Bank, the Investment Bank and the Bank of China, as well as the Industrial and Commercial Bank.

The creation of the Central Bank, after two years of preparation, is designed to bring much more effective central control over the whole banking system and increase the sophistication of Chinese financial procedures.

The move towards established Western banking practices is in line with the country's rapid opening to foreign investment and international borrowing over the past five years under the reform plans spearheaded by the Chinese leader, Deng Xiaoping.

One of the first tasks set for the new People's Bank by the State Council has been the drafting of new national banking laws, which is still under way. The laws will, among other things, detail the broad powers vested in the People's Bank to impose economic and administrative sanctions against the specialised banks.

According to the Vice President of the People's Bank, Liu Hongru, the changes are designed to counter the problems of decentralisation in China's banking system, bring greater efficiency and improve China's standing in world financial circles.

"In order to improve the role of the bank as an economic lever, concentrate social funds on national economic construction and change the present situation of having funds managed by more than one department while the use of funds is over-decentralised, it is necessary to strengthen the role of the central bank," said Liu.

He added that the People's Bank would control between 40 and 50 per cent of national credit funds so as to regulate and balance national credit payments. Budgetary deposits of Government departments and people's organisations would be incorporated into the bank's funds along with a proportion of the deposits of the specialised banks.

The Bank of China will remain the State agency responsible for handling international banking, foreign exchange transactions and settlement on international accounts, and the promotion of foreign exchange deposits.

The general banking reforms come at a time when the Bank of China is rapidly expanding the volume and scope of its operations.

The latest report of the Bank of China, released last month, shows that its total assets grew 16 per cent last year to Renminbi 137.9bn (about US$65.7bn), a combined increase of about 26 per cent since 1979 when China began implementing its economic reform policies.

Last year the Bank of China began to raise funds for and to make loans to a number of big energy projects which will enhance substantially its international skills.

The Bank of China's other crucial task has been in marshalling the foreign exchange holdings required to finance the country's ambitious modernisation programme up to the year 2000. The holdings reached a record US$14.3bn by the end of December—combined with gold reserves of 12.67m oz.

هكذا في الأصل

Territory's fate after 1997: UK anticipates a 'high degree' of autonomy and minimum disruption of the present system

Leading banking centre of South-East Asia

SIR GEOFFREY HOWE, British Foreign Secretary, has spelt out for Hong Kong the desired shape of its administration after 1997 when Britain's lease over the territory expires.

British administration would end and Hong Kong would once more become a part of China, Sir Geoffrey said in April. It would, however, retain a "high degree" of autonomy within which both Britain and China would want it to maintain its present systems and way of life with the least possible disruption.

Hong Kong

CHRIS SHERWELL
in Hong Kong

A "Communist takeover" is the stuff of bankers' sovereign-risk nightmares. If Hong Kong were not a financial centre in its own right, but merely an agricultural or manufacturing enclave, many bankers would probably already be reducing their loan ceilings.

It is, fortunately, the most important banking centre in South-east Asia, with over 101 foreign banks operating branch offices, and 115 more with representative offices.

Hong Kong offers a liberal home to banks, and a good life-style to bankers. Bankers feel comfortable. They want it to work, up to and even beyond 1997. They cherish that hope even if it defies probability. So, for the moment at least, tough talking and public optimism are the order of the day.

Argument

Already, some major structural changes in Hong Kong's economic and monetary systems can be directly related to the underlying shifts in political settlement.

Some analysts argue that Deng Xiaoping's "set your hearts at ease" reassurance to Hong Kong in 1979 helped to stimulate the territory's most recent and most inflated property boom. There can be little doubt that the property market's collapse in 1982-83 was the more fierce because it coincided with the emergence of China's intention to resume sovereignty over the territory in 1997.

The "linkage" of the Hong Kong dollar to the U.S. dollar, effected last October at the rate of HK$7.80 to the U.S.$ became necessary when angry Peking pronouncements about Hong Kong's future promoted a "run" on the currency. Shortly before the pegging, the jittery Hong Kong dollar had touched a record low of HK$9.50/U.S.$, a decline in value of almost half since January 1983.

Some analysts—particularly Mr John Greenwood of GT Management, who persuaded the Hong Kong government to adopt the U.S. dollar link—believe that even without political uncertainty the same corrective action would have been necessary sooner or later to tighten the territory's lax monetary controls.

Mr Greenwood successfully argued, in the heat of last autumn's crisis, that the Hong Kong Government should issue new banknotes only against U.S. dollar deposits at a fixed exchange rate, and offer to redeem them at the same price.

This guaranteed convertability of Hong Kong dollar banknotes would be relied upon to stabilise the exchange value of the whole Hong Kong dollar money supply.

Sir John Brembridge, Hong Kong's Financial Secretary, was persuaded that Mr Greenwood's proposal was the best option to save the Hong Kong dollar. In practice it has worked so flawlessly that critics who, eight months ago, thought the Hong Kong dollar was heading for oblivion are now lobbying for its upward revalution.

One major effect of the HK$/U.S. exchange rate linkage has been on the territory's deposit interest rates, ceilings to most of which are set at the retail level by a cartel of banks. The cartel was originally authorised 20 years ago, to end interest rate "wars" between local banks trying to expand market share, and almost going broke in the process. In recent years interest rates, and thus the cartel, became a main instrument of monetary policy.

The U.S.$/HK$ linkage effectively ties growth of Hong Kong dollar money supply to the territory's balance of payments—since banknote issues depend on the presence of foreign currency to back them. The system depends on interest rates reflecting market forces, balancing supply and demand in Hong Kong dollars.

Recognising the needs of the new monetary system, the Hong Kong Association of Banks (HKAB), in which the cartel is vested, has in recent months been meeting and moving interest rates more frequently.

Early this year prime lending rate was being moved almost weekly, while some banks dropped their deposit rates below the ceilings imposed by the cartel when liquidity within the banking system was high.

The cartel is still in business, but in a more flexible form. If and when confidence continues to firm in the stability of the HK/U.S.$ linkage, however, retail customers will be able to bypass Hong Kong dollar interest rate ceilings by moving, free of exchange risk, into unregulated locally-held U.S. dollar deposits.

The eventual pattern is likely to be one in which Hong Kong dollar and U.S. dollar interest rates simply mirror one another, with minor deviations reflecting temporary excesses or deficiencies of liquidity with particular Hong Kong banks.

Erosion of the interest rate cartel is likely to squeeze margins for those local banks with strong Hong Kong dollar deposit bases. For such banks, recent years have been highly profitable. In 1982, Hang Seng Bank, a retail subsidiary of the Hongkong and Shanghai Banking Corporation, made a net profit equal to 1.7 per cent of its total assets, a return roughly twice as high as a strong U.S. bank might achieve.

Foreign banks, meanwhile, may be able to improve their relative positions in the retail market, attracting funds by offering high interest rates, rather than by operating cumbersome and expensive branch networks. They will be less subject to the vagaries of inter-bank funding, where the overnight rate for Hong Kong dollars has varied between 40 per cent and zero per cent over the past nine months.

As Hong Kong moves towards 1997 the Communist vanguard is already operating in the territory—but as a commercial, not a military, force. The Peking-owned Bank of China group is now Hong Kong's second-largest banking bloc after the Hongkong and Shangai Banking Corporation itself.

Peking-affiliated trading and industrial companies, such as Everbright and China Resources, are becoming more active in Hong Kong and signing increasingly large contracts. Earlier this year China Resources bought a controlling stake in Conic, Hong Kong's largest electronics manufacturer. Everbright contracted to buy eight blocks of flats for HK$1bn.

Exception

Such signs of new investments are a welcome exception to the reluctance of most investors to make large new capital commitments in Hong Kong, ahead of the uncertain future.

Sluggish loan demand was a major factor in slowing 1983 net profits growth to just 5.7 per cent for the Hongkong and Shanghai Banking Corporation. Most smaller banks reported near-static profits.

If it were merely a slowdown in long-term lending which were in prospect, most Hong Kong bankers could view the future with relative equanimity. The fear is rather of sudden shocks, such as Jardine Matheson's recent decision to move its domicile to Bermuda, which could destabilise Hong Kong's markets and confidence over the next 13 years.

Some financial institutions will probably diversify their business away from Hong Kong, while maintaining an office as a public sign of confidence in the territory. Tokyo will be the logical home for such emigrés, with perhaps an ASEAN representative arme in Singapore.

Moves to mobilise domestic funds

Indonesia

KIERAN COOKE
in Jakarta

BANKING IN Indonesia has tended to lag well behind the country's dramatic economic development over the past 15 years. But, as funds from oil exports have dropped in the last three years, the government, determined to keep foreign borrowing within manageable limits, has been putting ever increasing emphasis on the mobilisation of domestic funds.

This, in turn, has led to a small revolution in banking which began last June under the leadership of Mr Arifin Seregar, the newly installed governor of Bank Indonesia—the central bank.

The measures removed all quantitative credit ceilings on bank loans which had been in force for nine years; did away with ceilings on interest rates the five state banks could offer on time deposits, and exempted from tax interest earned on such deposits.

In a short space of time large amounts of the Indonesian currency, the rupiah, were flowing into the banking system, attracted by interest rates of up to 18 per cent. By the end of 1983 time deposit at state banks increased by nearly 90 per cent and it is estimated that well over $2bn of funds, some of which had gone offshore in the days preceding a 27 per cent devaluation of the rupiah early last year, had been injected into the banks.

So successful have the new measures been that there is now concern that the system is over-liquid and through using a number of financial instruments, Bank Indonesia is making efforts to lower the interest rate to promote greater borrowing. But Bank Indonesia not only sought to attract funds back into the domestic banking system, it also wanted to create a more competitive, dynamic and modern banking structure.

Five state banks have dominated the system through the years, accounting for more than 80 per cent of total banking business. The remainder is split between 70 private banks and 11 foreign ones—the latter restricted to the Jakarta metropolitan area.

Over-protected, the state banks had become ponderous bureaucratic institutions. At one stroke the new measures forced the state banks to become more aggressive and competitive in a new open market. While they have succeeded in attracting a large increase in time deposits, there is evidence that credit has not expanded sufficiently.

Big rise

In the last six months of 1983, while state banks deposits nearly doubled, lending went up by only 11 per cent. Private and foreign banks, less bureaucratic, and more equipped to deal in a highly-competitive system, have seen their lending volume rise substantially in the same period.

However, there are signs that the state banks are becoming more independent and adapting to the new climate. A number of them have signed agreements with foreign banks to mechanise and improve their services. French institutions have been particularly favoured.

The biggest of the state banks is Bank Negara Indonesia 1946 (BNI 1946) with total assets at the end of September 1983 of 4,632bn rupiahs. However, the highest profit earner was the second-ranked Bank Bumi Daya (BBD) with gross earnings of 61.1bn rupiahs in the first nine months of 1983.

Five banks dominate the private sector, of which some, such as Panin Bank and Bank Central Asia, show increasing signs of challenging the positions of the smaller state banks. It is generally felt that the government wants to see the number of private banks reduced from the present 70 to about 25. This sector is fiercely competitive and one banker said that at the moment private banks have to expand by at least 30 per cent a year to retain their position.

Foreign banks have steadily increased their business along with the growth of the Indonesian economy, and while they would like to expand their operations outside Jakarta, they are pleased with recent developments. They see Bank Indonesia playing a less protective role while generally assuming a more positive position in overall management of the system. This became particularly evident earlier this year when it introduced lender of last resort facilities and Bank Indonesia certificates.

TIME DEPOSITS WITH INDONESIAN STATE BANKS
(Rupiah bn)

	3 months	6 months	12 months	24 months
1983				
May	8.1	26.9	41.2	835.6
June	129.6	119.3	111.9	763.2
July	200.0	142.8	217.9	726.4
August	262.7	200.3	352.7	684.1
September	297.7	210.4	417.0	655.8
October	390.5	327.4	480.3	631.3
November	465.8	344.5	683.6	599.8
December	499.1	298.6	837.9	538.7
1984				
January	447.8	315.5	897.0	511.6
February	429.3	291.5	980.9	517.9

Source: Bank Indonesia

Banks come under increasing scrutiny

Malaysia

WONG SULONG
in Kuala Lumpur

MALAYSIAN BANKS are coming under increasing scrutiny and criticism in their borrowing and lending, following reports of buoyant profits.

Even in the depressed years of 1980-83, when earnings of most Malaysia companies fell, the banks and other financial institutions were still able to report profit growth exceeding 25 per cent annually.

According to Bank Negara, the Central Bank, the secret of such success is neither any great increase in productivity nor business innovation by Malaysian banks, which remain among the most conservative in Malaysian business.

Rather, the banks have taken advantage of their freedom to determine interest rates.

Bank Negara did a survey and found that the difference between the average lending rate and the average cost of deposit funds for banks in 1982 was 4.8 per cent, which was already considered high. But this margin widened to 5 per cent last year.

Apparently, it is the foreign banks with small branch networks that are most guilty of this practice, with some paying interest as low as 5 per cent per annum for saving deposits, when their lending rates could be as high as 14 per cent.

For finance companies, many of which are owned by the banks, this gross margin was even wider, increasing from 5.24 per cent in 1982 to 6.47 per cent in 1983.

The Central Bank says such margins are too high to be good for the national economy, which is beginning to recover from the recession. It feels banks should play their role in this recovery by judicious application of interest rates to encourage savings and expand productive capacity.

Expanding on the Central Bank's concern, the influential Consumers Association of Penang argues that depositors could be losing out by as much as 316m ringgit last year, due to the widening of the deposit/lending rates.

Bank Negara is also worried about the decline in savings. These have fallen from 29.2 per cent of gross national product between 1976 to 1980, to a low of 22.8 per cent last year.

Following numerous complaints from the public, the Central Bank last year applied pressure on banks to be less arbitrary in fixing their lending rates.

The Government followed this up last November by introducing the base lending rate (BLR) for all banks.

The BLR is to reflect the true cost of funds and banks are allowed to charge a margin on the BLR, depending on the status of their clients.

Adjustments to lending rates are only allowed if there are movements in the BLR of the individual banks.

The BLR of Bank Bumiputra and Malayan Banking, the two largest banks, is pegged at 10 per cent.

It is too early to gauge the effectiveness of the BLR, although there are indications that banks are slowly moving their deposit rates up, while lending rates have stabilised.

Another area of concern is the heavy bank lending to the property sector, particularly office development in Kuala Lumpur, where signs of a glut are very evident. By 1986, it is estimated there could be an excess of 3m sq ft of office space in the capital.

Bank Negara is worried that with declining rentals and property values, some banks could be exposed, and this could trigger off a crisis.

Further lending to office development is therefore discouraged.

On the whole, Malaysian banks have undergone rapid expansion during the past decade, and this expansion is expected to continue.

Bank acquisitions, bank mergers with industrial and corporate groups, as well as foreign bank restructuring will feature prominently in the coming years.

However, no new bank licence is expected to be given out. There are now 22 local and 16 foreign banks in Malaysia and this is considered to be more than adequate.

The paid-up capital and reserves of local banks rose strongly by 50 per cent to nearly 3bn ringgit at the end of 1983, after a 25 per cent increase to 2bn ringgit in 1982.

No other Malaysian corporate sector has grown as fast, prompting a banker to admit that "banking is the best business in Malaysia today."

Malayan banking is the latest bank to go to its shareholders for more money for expansion. It is seeking a record 630m ringgit through a rights issue and a convertible loan stock.

Part of this money will go to finance its 250m ringgit, 58-storey headquarters, which will be Kuala Lumpur's tallest building when ready in 1986.

Call for stringent policy to keep monetary expansion in check

Pakistan

MOHAMMED AFTAS
in Islamabad

THE PRESENT pro-business Government in Pakistan inherited "a socialised economy." but it knows that money is a many-splendoured thing. It specially rings true, because it owns the entire banking system, the basic industry and infrastructure, and dominates the foreign sector—plus exercising a tight regulation of the economy.

That, also, is the key to a record 26 per cent monetary expansion in Pakistan last year. It was double the 1981-82 rate.

The Government is utilising the banking system for a $5bn to $6bn a year deficit financing, as well as to ration advances to private business, while it treats its own vast public sector, favourably.

Since 1982-83, the monetary expansion (of 26 per cent) pushed inflation to an annual 20 per cent, according to independent economists, while the Government admits only to a 10 per cent a year rise, based as its calculations are on an inadequate and faulty cost of living index.

The Government attributes the monetary expansion to a build up of foreign exchange reserves to $1.704bn as of late April, 1984—double the level reached two years ago.

But an analysis of Government spending shows that the administration itself is responsible for creating this situation. Its direct spending in 1982-83 was Rs 9.3bn ($0.68bn), and another $4.3bn through the state-sector enterprises. It was followed by the foreign and private sectors.

The State bank (central bank) governor, Mr Aftab Ghulam Nabi Kazi is urging the Government to follow "a stringent fiscal and monetary policy" in order to "keep monetary expansion in check."

The Government's absolute control over the commercial banks dates back to their January 1, 1974, nationalisation by the then Prime Minister Zulfikar Ali Bhutto. All the Pakinstani banks then came under Government ownership. They were, later organised into five banks—Hahib, National, United, Muslim and Allied.

Over the last ten years, the Government-owned banks have reflected a considerable quantitative growth. It was partly spurred by inflation.

The five nationalised banks now operate 6,792 branches all over Pakistan, and another 176 overseas.

The per capita income in the country, and the deposits have more than tripled over the last decade, and are keeping in step with each other. The current per capita income is Rs 4,176, while the deposit (per person) is Rs 1,432.

Low savings

The bank operations continue to suffer from a low level of saving, in a society which is still quite poor, and still spending around 85 per cent of all income on current consumption.

Pakistan banking growth, over 10 years of nationalisation, according to the state bank, on a calendar year basis, is seen in the table above.

DECADE OF BANKING GROWTH

Figures in Rs m.	1974	1983
1. GNP:	81,058	365,213
2. Total money supply (monetary assets):	28,000	144,025
3. Deposits:	18,397	100,258
4. State of monetisation (GNP divided by money supply):	34.541%	39.981%
5. Banking habit (ratio of money to GNP):	22.97%	27.45%
6. Banking development (ratio of deposits to total money supply):	65.70%	68.65%

An analysis of commercial banks' operations shows that 36.8 per cent of their advances are extended to manufacturing, 28 per cent to the trade, 15 per cent to services, 6.5 per cent to agriculture, 3 per cent to construction, and approximately 11 per cent to other smaller sectors.

According to the annual reports of the individual banks for the year ended December 31, 1983, the overall deposits rose 36.4 per cent to Rs 159.7bn over 1982.

But, the growth in 1983 did not match the proportional increase in the capital base of the banks, which meant that the capital-to-deposit ratio was around 2.8 per cent.

A healthy feature of the year's operations was that the bank reserves rose to Rs 895m, which means 68 per cent over the previous year, while their equity rose to Rs. 4.5bn, or 28.5 per cent compared to 1982.

All the nationalised banks, put together, increased their pre-tax profits by 26 per cent over 1982. Mr M. R. Khan, chairman of the Pakistan Banking Council (PBC) which oversees all the nationalised banks on behalf of the Government, says that "an improvement in profits took place inspite of sufficient provisions to write off doubtful and bad advances."

Mr Khan says, the PBC is now closely scrutinising the assets portfolios of the banks, and is asking them to provide adequate reserves to cover losses and contingencies.

The banks expanded their advances to Rs91bn, or 11.7 per cent during 1983. A key element of the lending policy was to provide the working capital and term financing of small industrial units, small business, farming, as well as medium and large industry, says a banker. But, the Federation of Pakistan Chambers of Commerce and Industry (FPCCI), maintains that private business "continues to remain starved of commercial credit," while the managements are providing funds more easily to the state organisations, under government prodding.

The nationalised banks' operations during year ended December 31 1983, in Rs m were:

Bank	Deposits	Advances	Investment
Habib	54,967	31,635	18,121
National	40,611	18,990	9,063
United	36,809	23,889	7,564
Muslim	15,705	10,246	4,477
Allied	6,87	5,108	1,746

As the Government and the central bank though belatedly, are asking the commercial banks to restrain advances, the latter complain that they are having to maintain large liquid cash because of the contractionary credit policy. It cuts into their profits.

The balance sheet analysis of these banks also indicates that the overall rate of increase in the pre-tax profits is slowing down: the expenditure on overheads, personnel and perks is rising: and losses on account of bad debts, outright frauds by the employees in Pakistani and overseas branches is sharply up.

PBC officials say that around 38,000 lawsuits are pending in courts across the country, for recovery of bank advances, while an additional 10,000 to 11,000 cases are to be brought to courts.

After urging the banks to improve their operations—and seeing no improvement over several years, President Gen Zia ul Haq decreed a new ordinance early this year. It is called "the offences in respect of banks (special court's) ordinance 1984." The law is his hope to check frauds, embezzlements, forgery, criminal breach of trust, and other irregularities.

A sunny spot in Pakistan's money business, however, is the profit and loss sharing (PLS) accounts or Islamic banking, which President Zia introduced on January 1 1981. These accounts, operating in the same bank branches which offer the traditional, interest - based, Western-style facilities, are pouring into the nationalised banks at the rate of Rs136m a week. From a zero on January 1 1981, the deposits in the PLS accounts, as on December 31 1983 boomed to Rs19.9bn, says Mr M. R. Khan.

Variation

He also feels satisfied that, with a rapid growth in Islamic accounts, their share in the banks' total return, or interest-bearing deposits, increased from around 12 per cent in 1981 to 23 per cent by the end of 1983.

The rate of annual profit on these accounts for 1983 was between 7 and 8.5 per cent. The variation reflects the varying overheads, and profit earnings by the banks through their own investment, and portfolio management.

Such variations are allowed by Government. This rate of profit, though still around 1 per cent a year higher than the yields available on interest-bearing deposits, is slowly declining, because of rising bank overheads, and saturation of the Government-approved portfolio in which alone, the Islamic deposits can be invested.

Pakistan's foreign trade, especially imports, are handled oy major British, European, American and Middle East banks, who operate several dozen branches. They also provide a very efficient retail banking service. Each new foreign bank, wishing to do business in Pakistan, is permitted to open only up to three branches, so that the business stays with the local banks.

Confined to major cities only, such banks are unable to collect large deposits, because big city customers are interested more in obtaining advances, rather than putting their money in deposit.

The foreign banks make a muted criticism of the Pakistani authorities, on several scores. These include a bureaucratically-long process of permitting them to remit their net profit, lack of competition as a result of excessive regulation of the banking system, and a sticky interest rate which has remained unchanged for the past eight years, inspite of a high inflation rate.

These banks have also complained about foreign exchange (FX) operations. They point out that TT, OD and BC rates are daily issued by the central bank, which they feel is "confusing." They will want to have a median rate for FX, permitting flexibility over a fixed band, over or under the median.

These difficulties apart, the Government and the central bank are committed to welcome foreign private banks, which stand to gain good business, as the economy is likely to grow under the just-launched sixth five-year plan.

A slow-down in bank credit puts squeeze on profitability

A SIX per cent surge in India's Gross National Product last year, after a drop in the previous year, did not reflect in a sharp increase of business for commercial banks.

India

R. C. MURTHY
in...Bombay

Two issues dominated Indian banking last year. First, the Reserve Bank of India (RBI) was keen on holding back expansion in money supply and domestic credit within the conditionality of the International Monetary Fund SDR 5bn loan. The Indian Government had agreed to a ceiling of 15 per cent for growth in broad money (M3) and 17.6 per cent for domestic credit for the year to March, 1984.

Commercial banks had lent more than Rs 10bn between June and December, 1983 for foodgrains stockpiling.

The axe had fallen on loans to other sectors to keep the overall domestic credit within the IMF ceiling. Industrial recession made this task easy for the RBI. Demand for bank credit lessened from sectors such as steel and automotive industries, which had much spare capacity.

Secondly, inflation returned to the Indian economy with a bang last year. The Government's economic survey for 1983-84 says the decline in prices after the bumper harvest was rather weak and the uptrend was resumed even before the onset of the lean season.

The doublt-digit inflation upset the process of selective reflation heralded by a down-the-line cut in interest rates on bank loans early last year to give stimulus to the Indian economy.

The marginal rate of 19.5 per cent interest charged to certain corporate borrowers was reduced to 18 per cent. The policy of liberalisation had to be halted midway and priority given for counter inflationary measures.

But the anti-inflationary package could not include a lift in interest rates on loans to curb effective demand for bank funds.

In India, the instrument of bank rate is not used frequently to vary the cost of credit, which has been kept high reflecting scarcity of capital.

Also, market forces do not determine the interest rate structure, which is fixed by the Reserve Bank.

Having reduced the interest rates on loans in March 1983, the monetary authorities relied on supply side restrictions to control the flow of funds. The RBI raised the cash reserve ratio of banks in stages by a combined 1.5 percentage point to 8.5 per cent of bank deposits.

Besides, it impounded 10 per cent of deposit growth late last year to siphon off excess liquidity with banks.

In all, Rs 22bn out of Rs 76.67bn deposits mobilised by banks in calendar year 1983, were frozen.

The deposits growth of commercial banks, 95 per cent (by assets) of which is Government owned was only 14.7 per cent to Rs 897.44bn in 1983. The share of time deposits in total bank deposits increased spurred by high interest rates. This pushed up the cost of funds for banks.

The emphasis on the supply side to slow down bank credit acceleration resulted in a squeeze on profitability of banks.

Apart from resources freeze, the drop in interest rates on loans narrowed the spread between the average cost of deposits and average return on loans.

There are two other factors pointing to a steady decline in profitability. Banks are under pressure from the Government to lift lending to less-profitable, but socially desirable, "priority sectors"—agriculture and rural development—to 40 per cent of total by March 1985.

They should find customers for Rs 22bn in five years in the countryside. Also, there is the steady increase in deposit interest rates, as part of the overall trend of high interest rates to lift domestic savings, which were at the peak of 22.3 per cent of GDP last year.

Distortions are seen in the interest rate structure after the seven-year debenture rate was raised 1.5 percentage point to 15 per cent last year. The hike was to facilitate the corporate sector raise long-term funds and cut dependence on short-term bank finance.

But it worked to the detriment of banks. More than Rs 9bn were mobilised by companies in equity and debentures in the year to March 1984.

Comment

Mr B. V. Sonalker, chairman of Indian Banks' Association, says there was a diversion of funds (from the banking system), which depressed bank credit and profitability. "Reduced offtake of bank loans by the corporate sector would mean loss on highly profitable business," he says.

But the annual reports of banks do not reflect this disheartening picture.

First, foreign exchange business is highly profitable and subsidises domestic losses. Every Indian bank is keen on expanding overseas.

Secondly, Indian banking law permits banks to keep secret reserves, on the pattern followed by British clearing banks until recently. As a result, the balance sheets of Indian banks may not reflect the true position.

Mood of deep anxiety over foreign exchange famine

Philippines

EMILIA TAGAZA
in Manila

UNLIKE MOST other economic activities in the Philippines, commercial banking remained profitable in 1983, the worst post-war year for the national economy.

There was a continuation of the profitable operations in the first quarter of this year; yet the prevailing mood among commercial banks is one of deep anxiety, presumably on the realisation that the unique earnings performance was aided by extraordinary factors which may not always be present in their operations.

The banks know the money they have made and expect to make can be wiped out if, as now seems likely, the present severe foreign exchange famine leads to more and bigger corporate bankruptcies.

Danger of collapse

Many of the banks are saddled with slow-moving and non-moving accounts, including those of financially-troubled companies in danger of collapsing or which have gone out of business. The Government has set at 20 per cent the maximum ratio of bad loans to total loan portfolio. Some banks are known to have a ratio of up to 50 per cent.

While the computation makes no distinction between bad and potentially bad loans, there is cause for grave concern. Of late there has been an increase in the number not only of borrowers falling behind schedule in their payments but also of those not paying at all. As a result banks tend to emphasise collection and not the extension of loans.

Last year commercial banks registered a combined net income of 2,300m pesos ($164.2m), up 551.2m pesos over the 1982 figure. Yet in any given year there is no way banks can be in the red, assuming proper management, even under conditions which are bad for almost everybody.

Banks sell a commodity — money — which is very much in demand whether in a recession, inflation or stagflation. They also pay only 9 per cent per annum on savings deposits and between 12 and 14 per cent on time deposits, whereas they charge between 18 and 25 per cent on loans. One has to be a prime borrower to be entitled to the lower charge.

But even with an average spread of 10 per cent, commercial banks could not have earned as much as they did last year without gains derived from two peso devaluations. In the case of Philippine National Bank, the foreign exchange-related income jumped to 640m pesos.

The local currency is expected to be devalued again this year, but banks cannot look forward to the same windfall as last year. Then the rules allowed them to hold dollars within certain limits — laxity in enforcement of the rules enabled some of the banks to hold more dollars than they should. Since then the rules have been changed so that devaluation profits will be reduced.

Under trade and exchange controls, the central bank (CB) controls, the Central Bank (CB) virtually confiscates all foreign exchange receipts which are coursed through banks and derived from export and service transactions. These receipts go into a dollar pool from which CB allocates dollars for payment of selected imports and for servicing certain foreign loan obligations.

Forecast

Originally, controls were supposed to last only up to last January. Based on official indications, the present pooling allocating machinery will remain in place after next December. Even without foreign exchange-related gains, Commerce Bank of Manila increased its net income in this year's first quarter, while Pilipinas Bank made a turnround to a net income from a previous net loss.

But the results can be considered deceptive, because both have the advantage of relatively cheap sourcing of funds. Majority ownership has changed hands from the Hrdis group to the Government Service Insurance system in the case of Commerce Bank, and from the Silverio Group to Philippine National Bank in the case of Pilipinas Bank.

Pilipinas Bank has been given cash advances by the Central Bank with an interest charge of 12 per cent yearly — plus equity funds by PNB with a fixed dividend rate of 14 per cent.

Last December, after CB increased the required bank reserves against deposit and deposit substitute liabilities, Inter-bank rates soared, to 55 per cent at one time, from an earlier 10 to 20 per cent range. The rates fell later, reaching an average of below 10 per cent until last March. The following month the average began going up again. In early May call loans at one point cost bank borrowers 60 per cent.

Yet shouldering such as cost

Yet shouldering such a cost load for overnight money is not the worst of the banks' worries. By slowing down on lending they can correct reserve deficiencies, as happened early this year. The greater concern is over bad and potentially bad accounts, which are the biggest danger to viability.

For example, Delta Motor Corporation, which has stopped its car and truck assembly, cannot pay debts of at least 1,600m pesos. The troubled Basay Mining Corporation owes various creditors, namely state-owned banks, as much as 1,500m pesos.

Another troubled company, Marinduque Mining and Industrial Corporation, has a total indebtedness of 16,500m pesos. This alone is roughly seven times more than the combined net income of commercial banks last year. Marinduque has shut down its nickel mine—refinery and copper mine and mill.

The only comforting thought for banks is that official policy allows failures only among small entities. The big ones are being bailed out.

Admission of foreign institutions still poses a thorny problem

Australia

MICHAEL THOMPSON-NOEL
in Sydney

AUSTRALIAN banks are moving from an era of protection and control to a freer and more open financial environment.

The forerunners of this change in Government thinking—the floating of the Australian dollar and a freeing of the exchange controls—were introduced late last year, while the hard facts of a breaking of the banks' monopoly on foreign exchange dealing and the lifting of restrictions on the term of deposits which they can accept will be a reality by August 1.

The real test, to be posed by the introduction of foreign banks on fully competitive terms, remains stalled until the July conference of the ruling Labor party determine whether new entrants prove acceptable to the more sceptical wings of the party.

In the interim, the granting of new foreign exchange trading licences (almost 40 applications have been received by the Reserve Bank) is expected to meet the wishes of many of the foreign banking groups which have established merchant banking or other non-bank financial operations in Australia.

If this is tied in with the development of offshore banking centres in Australia, the demand for domestic banking authorities is expected to become less sharp.

The offshore deal is subject to Parliamentary working party scrutiny as well as study by senior Government departments to determine the blend of benefits and sacrifice, although it retains considerable support at the political and banking industry level.

Meanwhile, the introduction of foreign banks as full competitors in the Australian market remains a thorny question despite the support it has from the Treasurer, Mr Paul Keating, who sees the need for the new-found freedoms for the existing banks to be balanced by the admission of new players.

While numbering a dozen, the banks boil down to a Big Four—Westpac, ANZ, National, and Commonwealth — although the state government-owned banks are trying to develop as more dynamic forces in both the domestic and international markets. There they gain by the almost sovereign status they hold through their Government parentage.

Big banks in favour

The major banks favour the introduction of foreign banks as branches of the international parent rather than as modestly-capitalised local subsidiaries with partners of less than prime standing in banking terms keeping one eye on international reciprocity and the other on the need for complete trust in inter-bank dealings.

Acting against this is the suspicion of the international banks among sections of the Labor Party as well as Treasury concern over its ability to monitor and control monetary flows should it hold no direct power over the new bank entrants.

These conflicts between the ideal in terms of competition and prudential standards and, on the other hand, the political and bureaucratic pressures suggest that an answer will not be found immediately.

Meanwhile, even without the foreign threat, greater local competition is sure to evolve as the major life office and superannuation institutions push for an increasing share of the financial markets. The Australian Mutual Provident Society, the largest local institution, plans to team with an unnamed commercial bank to form a full-service domestic bank.

The AMP has a formidable base of 2m policyholders, a loan portfolio of around A$2bn plus equity involvements and strong relationships with almost all Australia's leading companies and a merchant bank offshoot.

On the other hand the merchant banking groups, already facing a contraction in their competitive ability through the loss of their near-monopoly of the short-term money markets, face a further threat with the reshaping of Hill Samuel Australia into Macquarie Bank. This is to be licensed under existing domestic banking rules which limit individual shareholdings to 10 per cent.

Macquarie will have only a relatively modest capital base and will be seeking to employ its innovative skills to generate fees from the merchant and investment banking areas. It will also bring the funding advantage it enjoys as a result of the ultimate backing of the Central Bank into play where necessary.

Commercial lending

As such, it will pose no great threat to the big banks in the more straightforward areas of commercial lending. Meanwhile, despite past restrictions on growth in credit and limits on maturity of deposits and interest charges, the banks have maintained a relatively steady 38 per cent of the assets of financial institutions in the past five years.

From this unique position they are preparing for domestic competition by moving rapidly in the development of electronic funds transfer at the point of sale and the automation of their banking services, as well as new products in the funds management area, to boost business and margins through their branch networks.

At the same time, the pressure for international business remains strong as the major banks accept that any further growth will have to come from outside Australia. Their own arena is subject to broader competition both from new entrants to the banking scene and the range of consumer-level non-bank financial institutions.

Tough regulations to restrict lending and credit facilities

Government controls bite harder

New Zealand

DAI HAYWARD
in Auckland

NEW ZEALAND banks now operate under greater controls, restrictions, regulations, and government interference than they did even in the regulated conditions of the early 1970s.

Tough government regulations are aimed at achieving two results—to restrict lending and credit and at the same time to bring down interest rates. Bankers say these two objectives are contradictory and unworkable, but Sir Robert Muldoon, Prime Minister and Finance Minister, insists that the banks try to achieve this.

Harsh penalties have been imposed on banks and finance houses which fail to meet the government's tough requirements.

First, there were curbs and limits on interest rates. Home mortgage interest rates were arbitrarily reduced from 18 per cent or higher for first mortgages to 11 per cent for first and 14 per cent for second or subsequent mortgages.

The new rates originally applied to new mortgages, but as soon as the dust settled the Government put pressure on official lending institutions to extend home mortgages. One result is that the flow of finance into the house mortgage market, through banks and other lending institutions, has all but dried up.

Now the Government wants to restrict the level of lending and also reduce interest rates on other lending.

To control the limit of bank lending the Government has introduced several restrictions over the banking system. Banks and finance houses are required to carry a substantial proportion of their reserve assets in Government stock. This proportion has been regularly increased over the past 12 months.

The banks are also limited in the expansion of their level of lending to 1 per cent per month. This is not cumulative and banks which exceed the limit in one month cannot even up by keeping under the maximum the following month.

Reserve asset ratio

Earlier this year, when banks exceeded their 1 per cent increase in lending, the Ministry of Finance punished them by increasing the reserve asset ratio. At one stage this reached 31 per cent.

Bankers say the ratio has actually been set at a higher amount than their cash reserves, and banks have been forced to borrow from the Reserve Bank so as to have enough funds to invest in Government stock.

Merchant banks and finance houses face the same restrictions. Some of the finance houses which ignored the Government's guidelines on lending incurred the wrath of the Prime Minister in early May. He increased the amount the offenders had to place into Government stock by the amount they had gone over the 1 per cent limit—and made this penalty effective until next January.

Offenders also face a penalty of NZ$10,000 for each day they fail to put the required amount of funds into Government stock. The trading banks have protested to Sir Robert and to the Reserve Bank, but without success.

Behind the Government's inflexible attitude are two political factors. The first is the massive Government budget deficit of just under NZ$3bn, which is difficult, if not impossible, to control. The second is the looming November election and Sir Robert Muldoon's desire to present to the electorate an economic picture of falling inflation and lower interest rates.

Sir Robert wants a low interest régime by November; he also wants to prevent inflation, which has been forced down from the levels of 15-18 per cent a little over a year ago to the current 3-4 per cent, from rising again. The bankers are caught in a two way squeeze.

If the volume of lending is reduced interest rates tend to rise. If interest rates are forced down there is a greater demand for cheaper finance for development and investment.

Several bankers are becoming extremely outspoken both at the inconsistencies inherent in the Government controls and the ill effects they cause.

Among the comments made by prominent senior bankers have been "it's a vicious system," "a very unhappy scene," "a nonsense," and "frightening."

Leading bankers claim that there is widespread evasion of Government controls, although of course, every trading bank denies that it is involved in any such manoeuvres. But some institutions are desperate to get money to meet their reserve asset ratio requirement and it is said they are finding ways around some of the restrictions.

One banker commented: "There are other ways of giving depositors benefits than just by paying a certain interest level."

Special rates

Deposits of more than NZ$500,000 fall into the commercial area. Such sums are not so effectively controlled and can attract special rates. Now, however, sums as small as NZ$50,000 are attracting special rates from finance houses which must find capital to meet their obligations.

The latest threat to the banking community is for across-the-board interest rates on all sums limited to 14 per cent for trading banks and 17 per cent for non-bankers. Privately, bankers are forecasting that in June interest rates will rise as institutions have to borrow to meet their Government obligations.

"There is no way we can borrow at 14 per cent and lend at 14 per cent," said one banking economist.

The number of merchant banks in New Zealand is steadily increasing. A new merchant bank can avoid Government regulations on the level of lending because it has no previous record. For the first 12 months it is not limited to the 1 per cent increase allowed other banks because there is no previous year's measure of its performance.

Merchant banks recently received the foreign exchange dealer licences they so eagerly sought. This, too, has encouraged the setting up of new merchant banks.

The current crop of controls began in 1981 and have steadily become more severe. The 1982 Budget said that the control would come off when inflation was beaten. Bankers point out that now the Government claims to have reduced inflation dramatically the controls are worse than ever.

Trading banks are also unhappy because they are losing business to fringe financial who have stepped up their — institutions, such as lawyers house mortgage lending, and to merchant banks.

Bankers are privately forecasting serious problems for the New Zealand economy as a result of some of today's financial policies. They say the Government is developing "frightening contingent liabilities" which will have to be met by taxpayers and governments in the future. We are, said one, "passing the bill to the future."

Plan to increase efficiency bound to cause friction

South Korea

ANN CHARTERS
In Seoul

THE SOUTH KOREAN banking system is about to undergo changes that the Ministry of Finance hopes will both raise the efficiency of domestic banks as well as answer foreign banks' attempts to achieve equal standing with South Korean banks.

The two-edged policy starts this year and continues until 1986 as foreign banks are gradually allowed to enter markets formerly the preserve of domestic banks. Against increasing competition, the Korean banks are expected to modernise their management and operations more quickly than in the past.

As a first step in mid-May, members of the banking industry were reorganised into a new association named the Federation of Korean Banks. The chairman, Mr Kim Joon-Sung, as a former Deputy Prime Minister and Minister of Economic Planning as well as a former Governor of the Central Bank, brings impressive credentials to the job.

The exact role of the federation during the structural changes planned for the banking system is still unclear, however. The previous banking association had little to do with determining policy but it did set fees and commissions for various banking operations.

Although foreign banks will be invited to join as associate members, ostensibly to protect their interests, their non-voting status may present difficulties.

The Ministry of Finance's 25-page policy statement indicates that "practically all discriminatory restrictions imposed on foreign banks will gradually be phased out for true national treatment." Along the way, foreign banks should encounter more opportunities as well as incur new constraints.

Foreign banks, for instance, will gradually be able to set up trusts and, more importantly, access the Central Bank's rediscount window for export and import financing over the next two years.

But they will probably be required to make some loans to areas the government wants to encourage, such as small and medium industries or joint ventures.

Reforms in the banking system are bound to cause friction. Because the Government returned the last of the first large South Korean commercial banks to private hands only last year, there has been some concern, expressed in the local Press, that the banks need more skills before they are ready to compete.

Others, including academics, contend that liberalisation is inevitable, so it is better to proceed before the domestic banks fall further behind in adopting modern techniques.

There is little doubt that the steps toward equal treatment will be closely watched. The executive director of the American Chamber of Commers, Mr Brick Krause, has said that "if the changes can be instituted they will have an electrifying effect on the banking system."

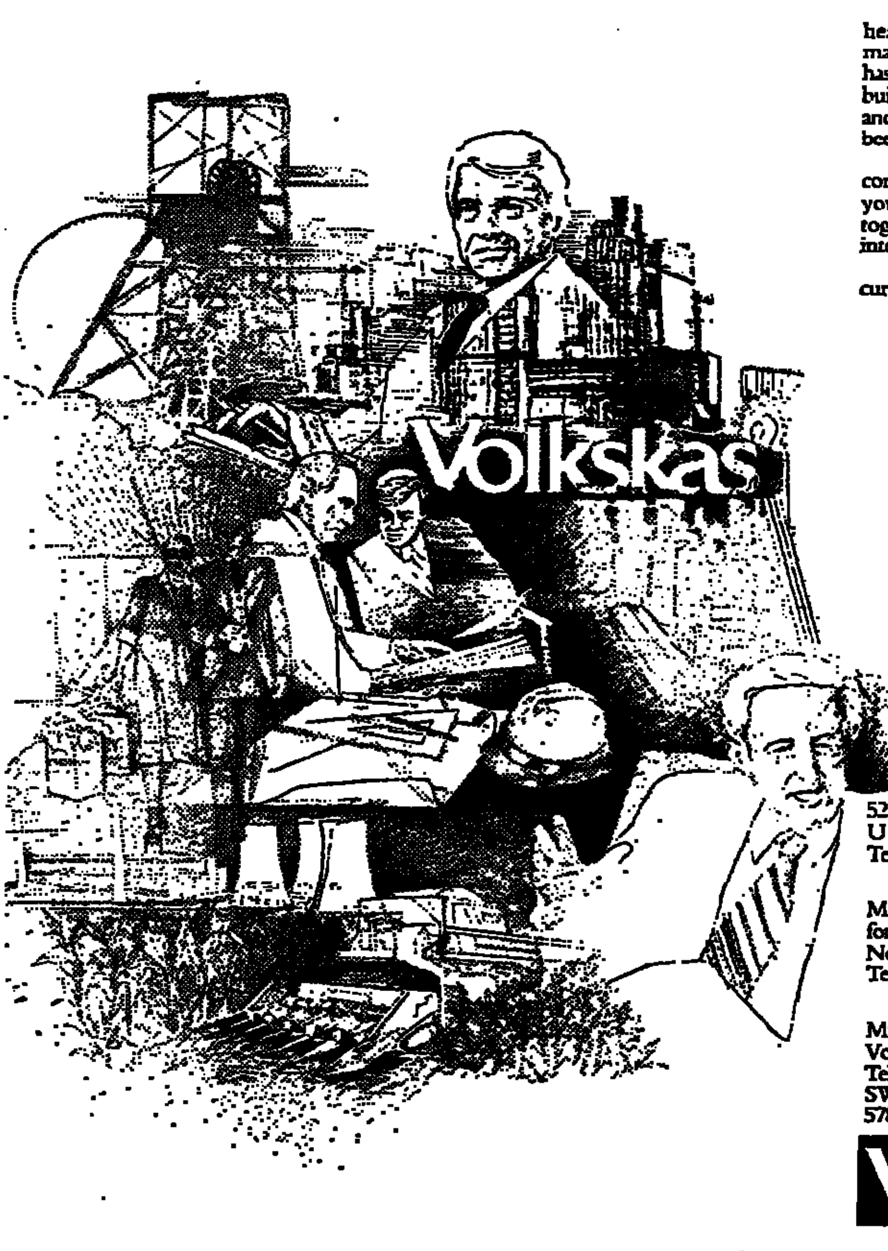
The U.S. banks have led the push for "national treatment," eliciting such high-level support as Secretary of the Treasury, Donald Regan and other officials in their bid to compete on an equal footing with South Korean banks.

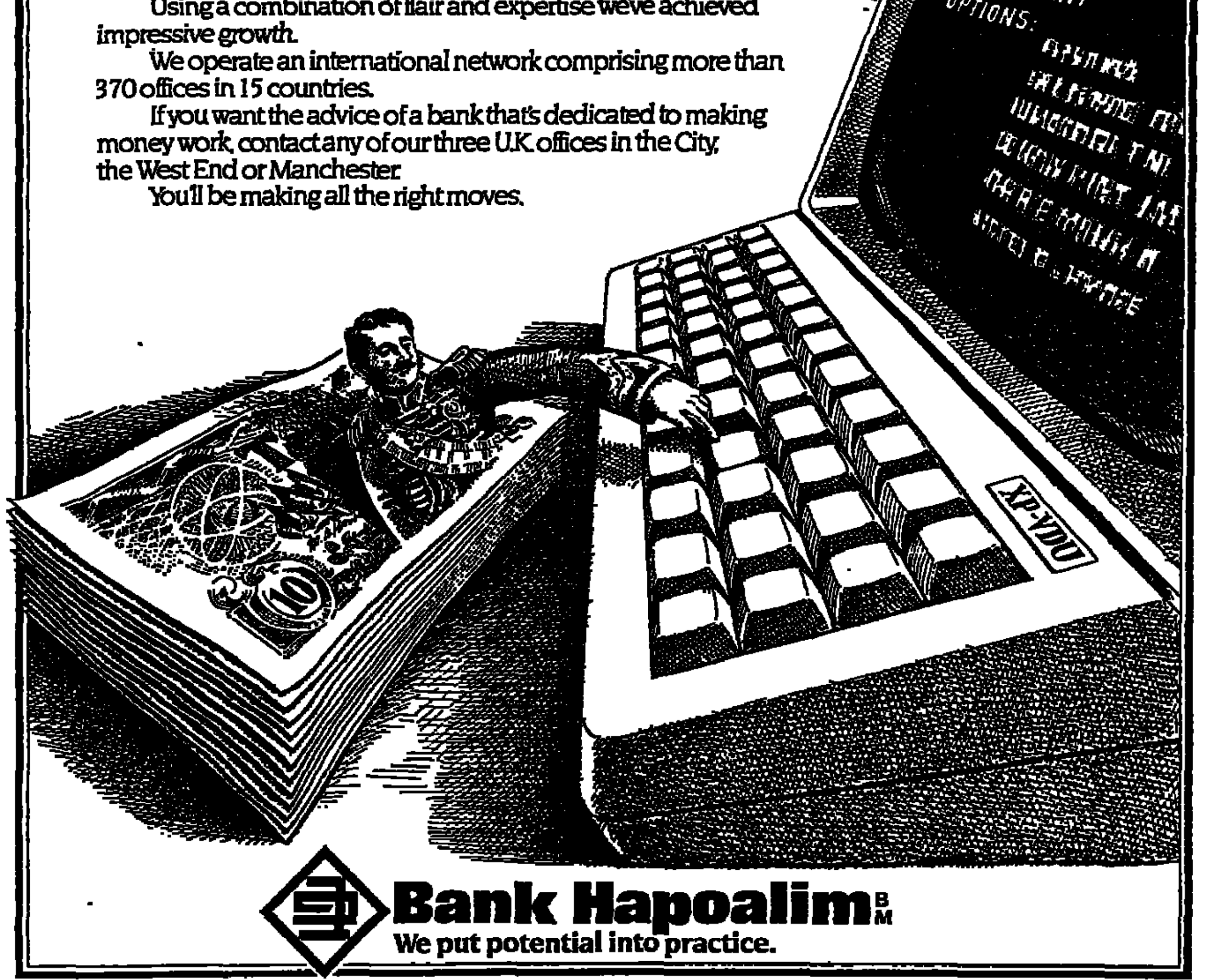
The Ministry of Finance regards the latest policy as part of the continuing restructuring of the financial sector which began several years ago. The changes have not stopped at commercial banking but affect non-banking as well. New joint-venture banks, short-term finance companies and mutual savings and loan companies sprang up as entry requirements were modified.

The distinctions between financial institutions are becoming somewhat blurred as securities firms participate in money market activities and commercial banks set up trust deposits and investment trusts and engage in factoring.

Future targets for reform include interest rates which, according to the Finance Ministry, will eventually be governed by market forces.

This change should occur gradually when the gap between official and free market rates narrows and inflation continues to slow down. Other changes projected for the system depend on further improvements in the South Korean economy.





Governments in Latin American countries are still struggling with turbulent conditions in the domestic banking sector, as FT correspondents report here and on the following page

Austerity is the keynote

Brazil

ANDREW WHITLEY
in Rio de Janeiro

AFTER seven years under construction, the impressive new regional headquarters in Rio de Janeiro of the Brazilian Central Bank will be inaugurated in July. But word has already gone out that it must be a quiet ceremony, with none of the pomp traditionally surrounding bank openings in Brazil.

Now the keynote is austerity and thrift. Average banking profits last year fell below the rate of inflation for the first time in over a decade; and the current outlook for what was until recently the best performing sector in Brazil is worse.

Not that domestic banking in Brazil is in any way static or uneventful. On the contrary, automation is proceeding apace, pulled along by fierce competition between the country's top two banks, Bradesco and Itau. Frequent switches in Government requirements from the commercial banks add to the competitive pressures and induce short-term thinking.

Turbulent conditions in the open market have often been decisive in shaping balance sheets. For example, those banks that were alert enough last year to calculate that devaluation of the cruzeiro would outstrip inflation made a killing on exchange-linked Treasury bills.

Banco Itau admitted that 44 per cent of its 1983 profits of Cruz. 112bn (U.S.$ 114m) came from "exceptional factors" such as these. Bradesco attributed 30 per cent of its Cruz 138bn (U.S.$140m) in net profits to the same source.

This year, under Sr Affonso Celso Pastore, the new Central Bank governor, those particular Treasury bills, knowns as ORTN's, are being withdrawn in favour of shorter-term bills linked to "monetary correction," the Government-set system of monthly adjustments to inflation.

Meanwhile, many commercial banks now face losses from the steep rise in their deposits held by customers in the form of pre-fixed Certificates of Deposit, at a time of declining interest rates.

A result of these pressures could well be more shotgun marriages arranged by the Central Bank between struggling institutions and their healthier competitors. Comind, a leading Sao Paulo bank, shot up the "ranking" table by leaps and bounds last year on the strength of its acquisition of two banks in difficulties, Residencia and Comercio.

But the main preoccupation of the Central Bank at present is not the privately-owned banks but the state development and commercial financial institutions. A combination of gross over-indebtedness in foreign currency, rising volumes of liquidated assets, and, in some instances, weak management have combined to create a parlous situation in the state sector.

Total indebtedness of the state banks to the federal monetary authorities is now about Cruz 650bn (U.S. $465m) at current exchange rates. Assets in liquidation, as a percentage of all loans, doubled between 1982 and 1983 for state commercial banks and jumped 140 per cent for the development banks.

Even so, sharp variations are showing up in the performance of individual state banks. Banespa, in Sao Paulo, produced excellent results in 1983, with pre-tax profits rising comfortably above inflation to $39m. Banerj, its Rio de Janeiro counterpart, which is heavily burdened by loans to the Rio city Metro, lost the equivalent of $26.5m.

Banco do Brasil, the federally-owned giant of the Brazilian banking system, and one of the top 20 banks worldwide, is big enough to ride out any new strains on its resources.

But the Government, nonetheless, felt it necessary in March to strengthen the bank's position, through a U.S.$61m share issue, equivalent to 10 per cent of its capital. Recently Banco do Brasil was also authorised to issue CDs and thus compete directly with the private banks in all areas.

Another source of concern for the Government is the housing finance sector following the collapse in the past 18 months of three leading building societies. All were privately owned and their demise after Central Bank intervention leaves the sector even more firmly in the hands of Brazil's major financial conglomerates.

For most of those foreign banks which were already established in Brazil before the gates were closed, the country has continued to be a source of good earnings—and a few nasty shocks.

Citibank, whose lending in Cruzeiros last year came to Cruz. 19tr (U.S.$9bn), twice that of its next rival, still continues to perform well in the teeth of the foreign debt crisis. Net profits on its operations in Brazil were above inflation last year.

In contrast, Banco Lar Brasiliero, the Brazilian arm of Chase Manhattan, suffered a number of exceptional losses on its loans portfolio and barely squeezed into profit at the year-end.

Inflation undermines progress

Argentina

JIMMY BURNS
in Buenos Aires

A BLOCK of buildings in Buenos Aires's San Martin Street—the local "City"—was recently demolished as part of a redevelopment project.

As the dust cleared, passers-by could make out against the skyline a mass of twisted telephone cables spread out like a giant fish net. But the state-owned National Telephone Company instals very few overhead wires and they are thin.

So where did the giant "fish net" come from? The answer gives us a clue as to the nature of the Argentine banking sector, for there exposed, as a result of a rather shoddy building clearance, was part of the "overground" telephone network used by the wily world of financial speculation which in recent years has been the lifeblood of the "City."

That the phone cables, remained, after everything around them had toppled to the ground, was an apt image. For all the talk of political and economic change since the end of military rule and the assumption of President Raul Alfonsin last December, the "City," in so far as its less reputable activities are concerned, has remained doggedly resistant.

Since the end of the Falkland War, two years ago, Argentine officialdom had tried to exercise a large measure of control over the banking sector which in the years after the 1976 coup, was characterised quite openly by dubious lending practices and a reckless scramble for profits but no substantial contribution to economic development.

The continuity in official banking policy has been demonstrated under the new democratic regime by the maintenance of two principle mechanisms of control: the settting of interest rates of seven-day and 30-day deposits to officially fixed maximums and the introduction of a high minimum reserve requirement.

Underpinning recent reforms has been a refinancing of debts contracted by private sector companies through the issue of bonds by the Central Bank. This in turn has taken the strain off the loan portfolios of local banks, some of which had looked shaky.

In theory, the aim has been to clear out the system and give it the necessary stimulus to accompany economic growth. In practice, Government policy has been undermined by its inability to control inflation.

The continuing rise in the cost of living—an increase of over 500 per cent in the past 12 months—has been the main factor influencing the peculiar development of the Argentine banking sector.

There has been a dramatic shift in funds away from short-term deposits to inflation and exchange rate-linked deposit accounts, both of which have minimum maturities of 180 days. The share of total deposits represented by the latter now stands at over 23 per cent compared with 12 per cent last year.

But this is perhaps not even half the story. Higher inflation has encouraged hoarding outside the financial system by buying off potential depositors, for whom 180 days of immobilised money seems like a lifetime.

Overall deposits have thus fallen dramatically, with Argentines still showing a tendency to buy up physical assets rather than save.

The most visible result of this contraction over the past year has been the closure or intervention by the Central Bank of over 20 finance companies and credit co-operatives for whom short-term deposits had represented the main source of funds.

This does not explain, however, why the profits of larger banks have kept up. Nearly all the bigger banks are highly active in the interbank, "call" and external bond markets. Foreign banks, meanwhile, are continuing to charge high commissions on letters of credit to importers.

But the least visible and currently most lucrative of operations is officially illegal. This consists of cross lending behind the scenes between companies for which an agent acting on behalf of a bank acts as broker. It is operated on the basis of interest rates which fall outside Government control.

It is estimated that as much as 30 per cent of loans circulating in the system are transferred in what is known locally as the "parallel market."

Contrast

Since taking power, the Radicals have lowered the minimum reserve requirement outside the Buenos Aires area in an attempt to attract funds to poorer and less developed parts of the country and encourage regional development. The two largest commercial banks, both state-owned, the Banco de la Nacion and Banco de la Provincia de Buenos Aires, have made some progress in this direction under their new management.

This is in strong contrast to the banks' main priorities in the days of military rule, when the easiest profits were to be gained from branches abroad attracting foreign funds for on-lending to Argentina-based customers, including the armed forces themselves.

Even so, there are some banks which do not feel too bound by the "ethical" requirements of Sr Alfonsin. They have been using their regional branches for the acceptance of cheap funds which are later on lent back to the "main office" in Buenos Aires.

A low level of confidence

Chile

MARY HELEN SPOONER
in Santiago

THE PAST three years have not been good for the Chilean domestic banking system, whose fortunes chronicle the rise and fall of General Augusto Pinochet's experiment in free market economic policies.

In May 1981, 25 financial institutions, including branches of international banks, were caught on the hop when a food conglomerate, the CRAV sugar group, to which they had lent over $230m in credit without adequate security, collapsed.

Allegations of impropriety and the subsequent public outcry, along with a two-month lull in foreign lending to Chile, prompted the authorities to look again at the cosy relationship between many Chilean banks and their affiliate companies.

Chile's current banking code, passed in August 1981, imposes stricter accounting practices and tougher collateral requirements for loans, specifically aimed at ending the practices of financial inbreeding between banks and their parent companies.

Seizures

Two months later the banking superintendency, citing violations of the code, seized administrative control of eight banks and finance companies. The authorities guaranteed depositors' accounts while proceeding either to liquidate or sell the institutions.

Since then a total of 19 banks and finance companies have come under Government intervention and about two dozen bank executives have been jailed for banking code violation.

The detainees included Javier Vial, the former director of the country's largest private bank, the Banco de Chile, the former banking superintendent Boris Blanco, and the former Finance and Economy Minister Rolf Luders.

All three were arrested on fraud charges involving the illegal transfers of funds from a shadowy Panama-based bank affiliated with the Banco de Chile's parent conglomerate.

This has not helped to increase public confidence in the banking system, especially in a country where the level of internal savings has traditionally been low. But since last year a financial legislation advisory commission has been preparing a new law designed to help Chilean banks to recover from their burden of bad debt portfolios and to prevent any repetition of earlier abuses.

Assurance

The advisory commission's president, Sr Carlos Urenda, has said that the new law will not be so strict as to prohibit bankers from having other business properties. In a country like Chile, with an underdeveloped financial system, finding banking investors with no significant holdings in private companies would be extremely difficult, he said.

Chilean authorities have already said that the five viable banks and finance companies subject to government intervention in January last year (which include the Banco de Chile) would not be sold to foreign buyers, despite interested inquiries from Bank of America and other financial institutions. Of the remaining 14 finance companies and banks where the government has moved in, all have been liquidated, sold or merged with other institutions.

The short-term solution for the Banco de Chile and other institutions currently under administrative control — but deemed viable by the banking authorities—is likely to be continued state administration.

One proposal under study by Sr Urenda's advisory commission is a plan whereby the state would officially take control of most of the holdings of the Banco de Chile and other surviving financial institutions, selling off a fifth of its shares to private buyers every year.

Challenge of a new capital market

MEXICO'S banking system, in its first full year after nationalisation, finds itself with an embarrassment of riches at a time of low credit demand and over the coming year faces the challenge of a new capital market developing around its former financial service subsidiaries, which the Government is to sell off to the private sector.

Doubts about the future of the 60 private and mixed capital banks (now rationalised into 29) which the outgoing administration of Sr Jose Lopez Portillo expropriated at the height of Mexico's financial crisis in September 1982 have been dissipated as small savers have rushed to swell the coffers of the banking system. Total deposits have more than doubled in the first year and a half of President Miguel de la Madrid's Government.

But while demand for credit has picked up as evidence grew that the Government had broken the inflationary spiral and turned round the country's external accounts, it is still rising at only a quarter of the rate of deposits growth. Last year the inflation rate was brought down to 80.8 per cent from 100 per cent in 1982; by dint of radical, IMF-inspired inflationary policies a current account surplus of $5.5bn was achieved against 1982's $4.9bn deficit.

Interest rates began to come down in the second half of 1983 and dropped six points in the first quarter of this year to the average cost of money benchmark of about 51 per cent (to which the banks add on margins of up to 30 per cent). As positive interest rates on deposits returned the banks trawled in an extra Pesos 1,726.4bn (about $10bn at current exchange rates) in 1983, against total deposits of pesos 2,238bn at the time of nationalisation and a 1982 increase of pesos 525.3bn. The tempo accelerated in the first quarter of this year with deposits and private investment in Treasury bills growing by pesos 769.4bn.

Credit growth has not kept pace. New loans totalled pesos 81.5bn in 1982, pesos 437.7bn in 1983 and pesos 201.6bn in the first quarter of this year. The gap is explained by the difference in the rate on short-term deposits, now at 48.5 per cent, and an average minimum charge on commercial loans of 57-58 per cent, by the heavy levels of capital investment carried out before Mexico's financial collapse and most of all by growing evidence that the Government will miss its inflation target for this year.

The target was 40 per cent, whereas consumer prices have already risen 21.8 per cent in the first four months. Interest rates began to rise again in mid-May and the shift into longer term deposits evident in the second half of last year—cited by the Government as evidence of returning confidence—has moved into reverse. Speculation has grown that the 13 centavos a day slide in the peso will have to be accelerated.

Mexico

DAVID GARDNER
in Mexico City

The banks' low level of business has cut into profits, already reduced by the need to provide for rising bad debts, estimated at about $1bn last year. Bank earnings in 1983 were static in nominal terms and sharply down in real terms at pesos 22.5bn.

These earnings rest largely on lower levels of remuneration from financing the public sector deficit, through the obligatory deposit of 49 per cent of funds with the Bank of Mexico and through Treasury bills. Though the deficit was more than halved last year to 8.5 per cent of GDP, a question mark hangs over whether the banks will have the resources to respond to a major revival in credit demand when the economy shows real signs of recovery.

While the banks' excess liquidity is temporary, a more fundamental challenge awaits them as a result of the Government's decision to sell off shares in 339 of the 483 companies in bank portfolios. Overriding strong opposition from the nationalist Left within the ruling Institutional Revolutionary Party (PRI) and the largely PRI-controlled unions, the Government has decided to return to the private sector the banks' financial service subsidiaries, which include brokerage houses, insurance, leasing and bonding companies.

This decision offers the private sector a way back into the financial system, in tune with the de la Madrid Government's efforts to re-establish business confidence, which was rocked by the banks' take-over.

While the Government has yet to announce exactly how and at what price the financial companies will be privatised, the decision to return them opens up the possibility of a parallel capital market developing in competition with the state banking system.

The brokerage houses and insurance companies could now become an important source of seed capital, competing to provide funds for industry.

Indeed there are already signs among brokerage houses established since expropriation and those that were unconnected with the banks of a widening of traditional activity. An unregulated intercorporate commercial paper market has begun to develop, for example, as a way of sidestepping the gap between deposit and lending rates.

"The brokerage houses will provide the ability to offer a wide range of investment and investment banking services, while the insurance companies—theoretically—could provide important financial muscle for the brokerage activity," says a leading local broker.

That qualification—"theoretically"—hints at a wide range of doubts still attached to the privatisation. First, Treasury officials say privately that the nationalised banks will still have the right to set up new financial services subsidaries of their own. Secondly, it is not yet clear whether buyers for the subsidaries, or indeed the industrial assets, will emerge.

Private investment has fallen 45 per cent over the last two years and Mexican businessmen continue to demonstrate their suspicions of state encroachment by keeping an estimated $20bn on deposit abroad and a further $25bn, officials believe, in foreign property.

Third, it is too early to judge whether the privatisation measures will succeed in restoring business confidence by beginning to establish demarcation lines between the public and private sector and so tempt back some of those billions held abroad.

Upheaval in Black Africa's key market

FOR ONCE, even the banking sector in Nigeria has failed to escape the twin effects of economic recession and political upheaval which have dominated all forms of activity over the past year.

Yet onshore and offshore, the profusion of banks operating in black Africa's most important financial market have still managed to survive in better condition than most of the businesses and trading houses they represent.

Leading bankers in Lagos fear that the worst may be still to come, as institutions which have known nothing but heady and often unco-ordinated expansion over the past decade have to learn how to deal with increasing provisions for bad debts, tigher credit ceilings, and narrower interest rate margins.

If the present austerity persists for the next three or four years, the banking sector is likely to emerge slimmer, fitter, and more competitive.

In the five months since Nigeria's soldiers decided to seize back power from the civilians they installed in 1979, accusing them of chronic corruption and mismanagement, the banks have had to cope with two government-imposed upheavals.

First, they were called on to take over the entire system of foreign exchange allocations to the private sector, previously administered by the Central Bank.

Then, most recently, they have been required to implement the traumatic exchange of old bank-notes for new—an operation designed to catch out currency hoarders and black marketeers, and drastically reduce the amount of cash in circulation, but guaranteed at the same time to cause massive disruption and confusion throughout the economy.

At the same time the banks have had to live with the uncertainty over what purges and transfers of top management and staff might be ordered by the new regime, which remains the majority shareholder throughout the financial sector. New boards have yet to be appointed, but the first few heads have begun to roll.

Nigeria

QUENTIN PEEL

Behind the current economic recession in Nigeria lies the all-pervasive foreign exchange squeeze caused by the halving in oil export earnings over the past three years, from more than $20bn a year to around $10bn.

The resulting import cuts have affected every sector of bank lending, with both trading houses and manufacturers badly hit, the construction industry caught both by lack of foreign exchange and the simultaneous cutback in public spending by state and federal governments, even the priority agricultural sector suffering from irregular and scarce imported inputs.

Quite apart from the growing number of bankruptcies and closures among importers, manufacturers and construction companies, the banks have seen their most lucrative area of operations, trade financing, sharply curtailed.

With lending opportunities to the private sector limited, Government borrowing has continued to soar. In the 12 months to July, 1983, private sector borrowings from the banks rose only 8 per cent, while advances to the government sector increased almost 80 per cent.

Total bank lending to the public sector rose from N3.6bn (£3.4bn) in December 1980, to N6.6bn in December 1981, and N10.5bn by the end of 1982, a trend which showed no significant sign of slackening last year.

As for international lending to Nigeria, the country's distinction has been to run into a short-term rather than medium and long-term financing crisis. Medium-term external debt, while not exactly healthy, still appears relatively modest in comparison with the big borrowers of Latin America and Eastern Europe: something less than $11bn in disbursed loans, with a further $8bn undisbursed.

The problem has been on the short-term financing front, where the escalating balance of payments problems from 1982 onwards caused an ever increasing accumulation of arrears on trade payments, including letters of credit, and open account trading, whether insured or uninsured by the official export credit agencies. The Central Bank simply slowed down the approval of foreign exchange transfers to stay within its foreign exchange receipts from month to month, maintaining an artificial level of foreign reserves as close to N1bn as it could manage.

With arrears on letters of credit totalling more than $2bn by mid-1983, the international banks were the first to agree rescheduling. Two deals agreed with a total of more than 60 banks in July and September provided for repayment of the arrears over three years from January 1, 1984, including an interest rate of 1¼ per cent over the London Interbank Offer Rate (Libor).

In the event, the deal done by the banks has proved to be on considerably better terms than the rescheduling now being negotiated both with export credit agencies and uninsured creditors.

They are likely to have to accept a deal for repayment of something between $4.6bn and $6bn over six years, with a 2½ year grace period, and carrying an interest rate only 1 per cent over Libor.

The result has been considerable resentment in the business community at the discrimination in favour of international banks, most of which have no direct involvement in Nigeria.

Part of the banks' agreement provided for them to maintain their existing lines of credit to Nigeria, and even open new ones if they saw fit.

New arrears

Few have done so, and bankers are now expressing concern at the accumulation of new arrears on new lines of credit, repayable promptly over 21 days, but many of which are still outstanding after 90 days or more. Some estimates put the figure for the new backlog at $300m to $400m.

The other factor discouraging offshore banks from confirming new letters of credit has been the prolonged delay in reaching any agreement with the International Monetary Fund on a three-year extended credit of between $2.6bn and $3.2bn, backed by a stabilisation programme.

The talks began in April, 1983, but the problems of gathering adequate information, establishing effective monitoring systems, and above all disagreement on devaluation of the naira, removing petrol subsidies and liberalising import restrictions, have prevented any final deal being reached.

Although agreement with the Fund is still proving elusive, the new military regime is pressing ahead with tighter monetary policies, and attempting to reduce its yawning budget deficit. The 19 state Governments, in particular, have been barred from any further foreign borrowings, and will be very restricted even on local borrowing. The Federal Government is still having to raise N1.5bn on the local market, and N1.8bn in committed foreign loans it plans to draw down.

The revised budget, published this month, raises minimum interest rates by up to two per cent, although overall the level of interest rates remains far below an inflation rate conservatively estimated at 40 per cent: minimum deposit and lending rates have been raised from between 6.5 and 8 per cent to between 8.5 and 10 per cent. The maximum rate remains at 13 per cent, so the banks' margin will be squeezed.

An unresolved question is whether the IMF of the World Bank — which is conducting parallel negotiations with Nigeria on a proposed $300m structural adjustment loan — will seek some reduction in the level of Government involvement in the banking sector.

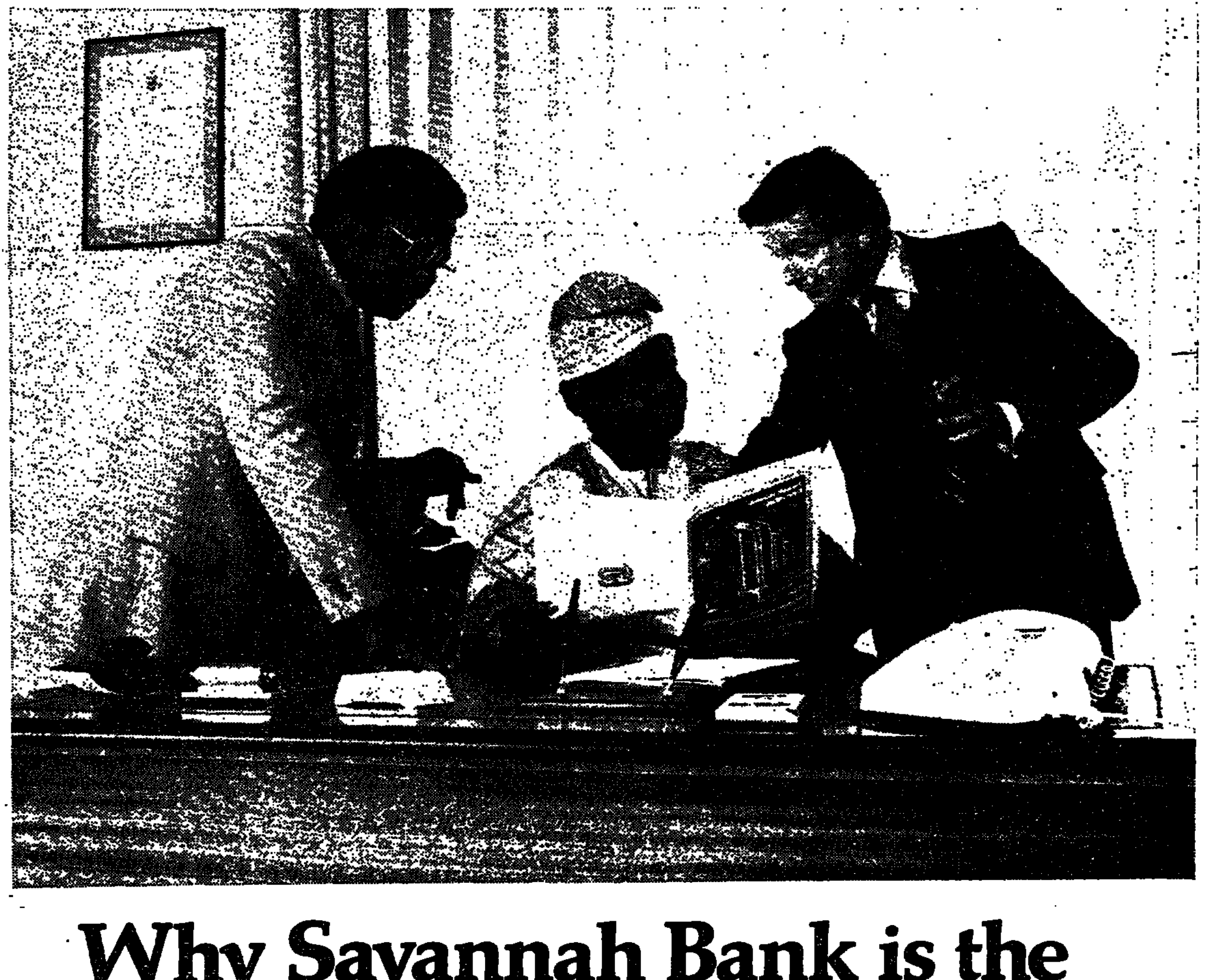
In terms of Nigerian legislation, banks must be at least 60 per cent owned by Nigerians, which in practice frequently means the government owns 50 per cent or more.

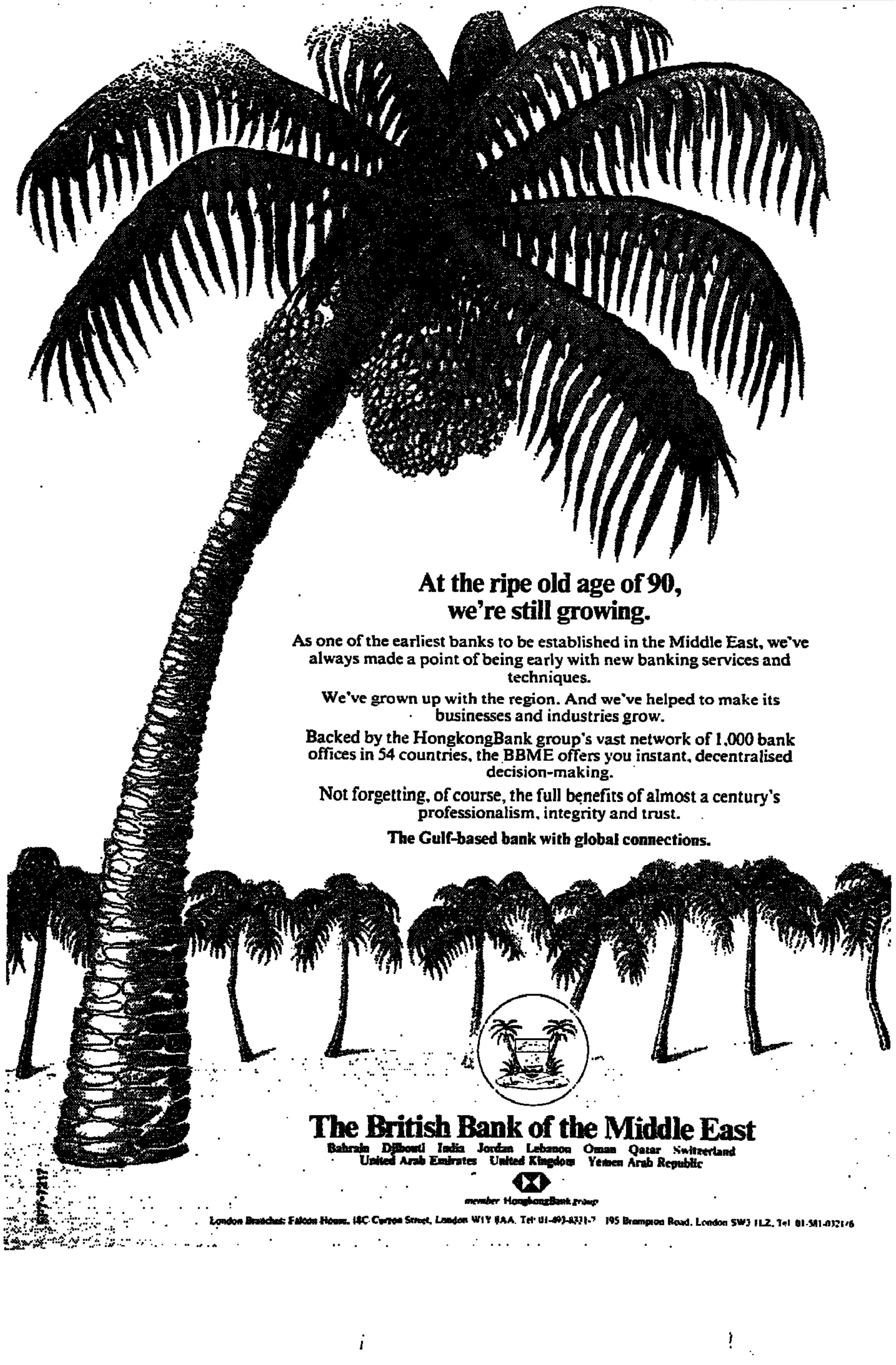
Direct controls

However, the Government has not used its equity stake as a means of influencing banks, relying instead on complex and far-reaching direct controls. The least popular are probably the sectoral credit allocations, setting down precise proportions of the banks' loan portfolios which must go to each sector.

The most notable development of the recent years of rapid expansion has been the relatively more rapid rise and development of the merchant banks, as opposed to the larger retail banks. Austerity, however, may count against them.

For example, in the severely restricted allocation of foreign exchange available for each bank to ration between its customers, the proportions have been decided according to the average level of business conducted by each bank over the last five years. As a result, the small new banks have been given practically no allowance at all.





Major banking groups all advance in profits

South Africa

JIM JONES

SOUTH AFRICA's banks are in the middle period of fundamental change.

Progressive deregulation and the ending of an inter-bank cartel have led to greater competition for business and market share: the banking industry is steadily moving into areas previously dominated by competing financial institutions; and the growth of electronic banking is gathering pace.

In the process each of the five major banking groups has reported strong profit advances, while large parts of the country's corporate sector are caught in the toils of recession.

Any residual competitive restraints vanished in Febraury 1983 with the termination, at the insistence of the Registrar of Banks, of the pricing cartel, the Register of Co-operation, better known by its acronym Roco. The demise meant that the banks were no longer prevented from paying interest on current accounts, and this was seized upon as a potent marketing tool in attracting customers and deposits.

Customers could be forgiven for some bewilderment at the array of services spawned in the post-Roco competitive free-for-all. They were probably just as bewildered by the fact the heightened competition, the added cost of paying interest on previously free current account balances and presistent complaints by bank executives that restrictions were narrowing margins to unacceptably low levels, have not been accompanied by any appreciable dents in the banks' profit growth rates.

In 1983 the major banks reported an average 25 per cent advance in disclosed after-tax profits against 35 per cent two years before. On the other hand the average return on assets of the major banks had increased to 1.07 per cent in 1983, against 1.04 per cent in 1982—and this progress was made during a year in which the South African economy went into reverse.

Liquid assets

In the main, profit advances resulted from increased business volumes which, in turn, were made possible by progressive deregulation of banking operations. Onerous liquid asset requirements have been steadily relaxed by the Reserve Bank and most banking sector analysts expect further liquid asset ratio reductions this year before the Reserve Bank switches to regulation based on cash reserve ratios.

Almost every relaxation of the liquid asset ratio requirements was seen as a move by the Reserve Bank to limit increases in lending rates. Nonetheless, from a low of 14 per cent in 1983, minimum overdraft rates are currently standing at 21 per cent, with the exception of the 20.5 per cent quoted by Standard Bank. These are easily the highest real rates since before the 1939-45 war.

The result of deregulation has been a surge in lending, particularly as individuals borrowed their way through the recession, and a money supply running out of control. The growth in lending is amply illustrated by the fact that the total assets of Barclays National, the country's largest banking group, increased by 19 per cent in 1983 to R12.63bn.

Those of Standard and Volkskas were 15 per cent higher on the year, Bankorp registered a 14 per cent increase, and Nedbank a somewhat more pedestrian 5 per cent.

Competition has not been confined to traditional banking business. Rather, the main banking groups, looking over their shoulders at the inroads being made in the corporate lending sector by foreign banks, have pushed diversification programmes.

No one wants to be left out of the mainstream of financial services, particularly since the authorities' determination to enhance the competitive environment should lead to a narrowing of the existing differences between the banks and the building societies.

In January this year, Nedbank, the third largest bank measured in terms of total assets, entered into a co-operation agreement with Allied, the third largest building society. The agreement embarces use of each other's automated tellers and branches as well as preferential treatment of the other's customers.

Ned bank's move was seen as a direct response to Barclay's decision to enter the mortgage business on its own account a year earlier. In addition it may well have been prompted by old Mutual, Nedbank's largest shareholder and South Africa's largest insurance group, which nervously watched Barclays acquire in December 1983 a 30 per cent equity interest in the third largest insurance group, The Southern, formed by the merger of Anglo American Life and Southern-Life.

Agreement

Earlier last year, Standard, the second largest banking group, acquired joint control of the controlling company of Liberty Life, the fourth largest insurance company. This followed an agreement between Standard and United Building Society (the largest in the country) similar to that between Nedbank and Allied.

Further down the line, Volkskas has for several years held a 30 per cent interest in Legal and General's South African offshoot, while Bankorp, which has Trust Bank as its main subsidiary, is controlled by Sanlam, the country's second largest insurance group.

These acquisitions and alliances stem, in part, from the extension of electronic banking and accounting systems throughout theindustry.

In the next three years, by way of example, the banks, building societies and Post Office expect to treble the number of automatic teller machines in operation to approximately 3,000. That is being accompanied by the introduction of Saswitch, a company owned by a consortium which includes Nedbank, Barclays, Trust Bank and Allied.

Natal Building Society, Permanent Building Society and the Post Office will provide the computer infrastructure which will allow automatic teller sharing. Standard, United Building Society, Volkskas and the Post Office are linked in a competing system.

The large local financial institutions are having to link into one or other system almost willy-nilly if they are to remain competitive. But they also fear that Saswitch, which, everyone agrees, will eventually be joined by Standard and its associates, will sharpen the competition.

Apart from anything else, local smaller banks with limited branch networks such as Indosuez's South African subsidiary French Bank, as well as foreign banks, could link into the system; and that would give them greater marketing opportunities than exist at present.

Sharp contrasts in financial fortunes

North Africa

FRANCES GHILES

THE THREE Maghreb countries today present to the outside world sharply contrasted economic and financial faces. While Morocco struggles with a serious foreign debt rescheduling problem, Tunisia is making a major effort to prevent its foreign financial position from deteriorating.

Algeria, meanwhile, is tightening its belt as foreign oil and gas income declines this year from the $12.7bn level reached in 1983. Its minister of finance, M Abdellatif Jonalin called Morocco's foreign bank creditors to Rabat to request that most principal debt owed between September 1 1983 and December 31 1984 be rescheduled. The bankers agreed but a dispute over the eventual role of the Kingdom's central bank—which the banks would like to see co-sign a guarantee the new agreement—remains unresolved and a final settlement has still not been reached.

The banks are now getting nervous as they know that in September they will have to sit down with the Moroccans to negotiate about the principal of the debt which falls due next year. That will certainly have to be rescheduled in the light of its serious financial position has not changed much.

Rapid change

Where the IMF and the Club of Paris are concerned, Morocco has moved forward much more swiftly. It hast recently drawn a second tranche from the SDR 300m loan it relocated with the IMF last summer, the terms of which had to be renegotiated following the riots last January. These forced the Government to stall on a certain number of increases which would have further cut food subsidies.

The Club of Paris, meanwhile, agreed to reschedule 85 per cent of the $1.15bn worth of government loan to Morocco, payment of which falls due between September 1 1983 and the end of this year. That agreement was signed last autumn. The foreign banks are, thus, the late settlers and they are only hoping they will reach some kind of compromise with the Moroccans before the month of fasting, Ramadan, which starts on June 1.

Morocco's external financial position looks like being a major cross for some years ahead. Better rainfall last winter may avert a fall in living standards, but the reining in of the foreign trade deficit is being achieved at the cost of many jobs.

Furthermore, as the price of phosphates is picking up only slowly and the conflict over the future of the Western Sahara shows no sign of an early solution, a debt service ratio of about 45-50 per cent of exports and services is not going to improve dramatically.

The contrast with neighbouring Algeria where per capita income is about three times that of the Moroccans is sharp. Algeria certainly faces a tight financial situation, but the reduction in the foreign debt, now believed to stand around $15.5bn, and the growing recourse to trade credits and loans from Arab funds means that shortage of foreign capital is the least of the worries of Algerian leaders.

Indeed, changes in the running of the economy currently being implemented are proving very slow and cumbersome. Decentralisation has resulted in decisions taking even longer than two or three years ago. The presidential elections in January and subsequent appointment of a new Government also held up matters as did a long, drawn out campaign last summer and autumn.

But, expecting a decline in foreign income this year and faced with very heavy debt repayments—maybe as much as $4bn—the government announced a budget in January based on an estimated fall in foreign income of about $1.5bn If events take a turn for the better, budgetary allocations can always be raised in mid-year.

The major Algerian banks are meanwhile concentrating on trying to improve their management, to become more specialised in the sectors they follow and to act as the guardians of orthodoxy where the financing of projects is concerned.

They occasionally make a foray into the market and the $800m loan the Banque Nationale d'Afrique and the Banque Exterieure d'Algerie jointly raised last November provided ample proof of the market's appetite for Algerian paper.

As repayments schedules are presently very heavy, and Algeria has shown a capacity roughly to maintain its foreign income so far, bankers are greedy for more paper. There is little of it for credit worthy customers around in the Third World today. Tunisia, meanwhile, sometimes comes to the international capital markets but overall remains a cautious borrower. With debt service of 17 per cent, compared with Algeria's around 30 per cent and Morocco's 50 per cent, its prudence is well illustrated.

It has concentrated all its effort in recent years in obtaining money on concessionary terms: for this purpose a string of banks associating Tunisia and Arab funds have been set up in Tunis where they are already playing an active role. The Saudis and Kuwaitis are also active investors in Tunisia. The former have shown themselves interested in the tourist sector and agribusiness while Kuwaitis have been investing in those industries based on phosphates and also real estate. Probably there are too many new joint Tunisian-Arab banks in view of the size of the Tunisian economy, but at least the money is flowing into an economy which has been chronically short of it.

Historic link

So, although they are neighbours and share much which is common in their history—notably strong links with France because of former colonial days — the three Maghreb countries are travelling rather different roads at present. Morocco is saddled with a very serious debt problem which is unlikely to be solved either easily or quickly—even assuming agreement is reached on the role of its Central Bank plays in the final agreement with the foreign banks. Only a sharp rise in the price of phosphates or an end to the war—or the discovery of some gas or oil maybe—could ease the foreign financial position of the Kingdom.

Tunisia continues to tread cautiously in the foreign financial front—avoiding mistakes such as the one made earlier this year when the doubling of the price of bread led to serious rioting throughout the country. Much here is predicted on the price of oil, a major export earner, tourist receipts and good rain.

Algeria, meanwhile, continues to run a very conservative financial and borrowing policy, concentrating on trying to lighten the weight of an extraordinary cumbersome bureaucracy and hoping to turn its agricultural sector around. That alone could curtail the growing cost of food imports which last year rose to more than $2.5bn.

So, the irony remains. The bankers would prefer to lend to Algeria—and Tunisia—who are trying to avoid too great recourse to foreign loans. Morocco, which desperately needs new money is unlikely to get it in present circumstances, at least from bankers.

WORLD BANKING SURVEY

PART ONE of this survey appeared on Monday, May 21, 1984.

Major sections of Part One examined the international economy, the world debt crisis, the market and a review of individual countries in North America and Europe.

In the section on the world economy, correspondents reported on the improvements expected this year; the trends in capital flows and the cutback in U.S. lending abroad.

Articles on the world debt crisis examined rescue programmes and the work of the International Monetary Fund and the World Bank.

In a review of the markets, writers reported on the interbank market; Euromarkets and syndicated loans; Eurobonds; foreign exchange; the gold market; and financial futures.

● The complete FT survey on World Banking will shortly be reprinted as a booklet, price £3. Full details and an order coupon appear on Page 20 of this Survey.